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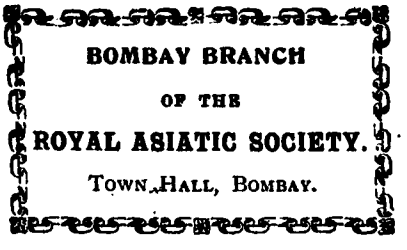

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Report of the Textile Labour Inquiry Committee

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CHAPTER I

INTRODUCTORY

APPOINTMENT OF COMMITTEE AND TERMS OF REFERENCE.

The Textile Labour Inquiry Committee was appointed by the Government of Bombay by Resolution No. 1988/34 dated the 13th October 1937 of the Political and Reforms Department which reads as follows :

" The Governor of Bombay is pleased to appoint a Committee of Inquiry to be known as the Textile Labour Inquiry Committee consisting of the following members to investigate into the question of the adequacy of wages and kindred matters in connection with the textile industry in this Province :—

1. Jairamdas Doulatram, Esquire, Chairman,
2. Vaikunth L. Mehta, Esquire,
3. D. R. Gadgil, Esquire,
4. S. A. Brelvi, Esquire.

" (2) The Committee will be advised on technical matters by the following four Associate Members :—

1. Sakarlal Balabhai, Esquire, M.L.A.,
2. S. D. Saklatvala, Esquire, M.L.A.,
3. K. K. Desai, Esquire, M.L.A.,
4. R. A. Khedgikar, Esquire, M.L.A.

" (3) Mr. S. R. Deshpande, Assistant Commissioner of Labour, Labour Office, Bombay, should act as Secretary to the Committee.

" (4) The terms of reference which the Committee should be asked to consider are :—

1. To examine the wages paid to workers having regard to the hours, efficiency and conditions of work in the various centres of the textile industry in the Province, to enquire, in this regard, into the adequacy or inadequacy of the wages earned in relation to a living wage standard and, if they are found in any occupation, centre or unit of the industry to be inadequate, to enquire into and report upon the reasons therefor, and to make recommendations regarding :

(*a*) the establishment of a minimum wage,

(*b*) the measures which the employers, the employees and the Government should take to improve the wage level,

(*c*) the remuneration of workers engaged on night shift, and the regulation of night shift work,

(*d*) standardisation of wages and musters, and

(*e*) the methods of automatic adjustment of wages in future.

2. To report whether in view of the present condition of the industry an immediate increase in wages can be given in any occupation, centre or unit of the industry, pending the conclusion of the Committee's work and the preparation of its Report and to make recommendations in this behalf.

3. To report on any matters germane to the above.

"(5) The Committee should be requested to submit its Report to Government as soon as possible."

PUBLICATION OF INTERIM REPORT.

In pursuance of paragraph 2 of our terms of reference, we submitted an Interim Report to Government on 11th February 1938. Government released this report for publication on 14th February 1938 together with the following resolution :

"The interim report of the Textile Labour Inquiry Committee has been received by Government and is now released for publication. This report has been prepared in reply to one of the Committee's terms of reference which required it to report whether in view of the present condition of the industry an immediate increase in wages could be given in any occupation, unit or centre of the industry pending the conclusion of the Committee's work.

"This question has been studied in detail by the Committee, who in a report of over one hundred pages have closely analysed all the data relevant to the issues involved. They have come to the conclusion that the condition of the industry has decidedly improved in the year 1937, that it has emerged out of the period of depression, and that the profit-making capacity of the industry as a whole has increased. The wages of the workers employed in the industry have been subjected to various cuts in recent years and the principal reason advanced for these cuts was the depression. This having been lifted it is the opinion of the Committee that an increase in the present level of wages is justified.

"Government accept the recommendations of the Committee, and recommend to the Millowners that the proposed increases shall be introduced with effect on the wages due for the month of February or for the last pay period of the month of February. The conclusions and recommendations of the Committee have been made after a searching enquiry, and in the view of Government are entitled to the weight and authority which should be attached to the award of an Industrial Court or a Court of Arbitration. Government are therefore of opinion that the recommendations as they stand should be carried out and accepted both by employers and labour."

We understand that, with a very few exceptions, all the units in the various centres of the cotton textile industry implemented the recommendations made in our Interim Report.

APPOINTMENT OF NEW CHAIRMAN AND SECRETARY.

After the submission of our Interim Report to Government we dispersed for some time to await the replies to our main questionnaire. Thereafter, Mr. Jairamdas Doulatram resigned his appointment as Chairman of the Committee owing to protracted illness. Government, thereupon, appointed the Honourable Mr. Justice H. V. Divatia, Puisne Judge of the High Court of Judicature, Bombay, as Chairman and he took charge on 5th October 1938.

In the beginning of December 1938 our Secretary, Mr. S. R. Deshpande, M.B.E., Assistant Commissioner of Labour, Labour Office, Bombay, had to proceed on leave on account of illness. Government, thereupon, appointed in his place Mr. N. A. Mehrban, M.B.E., F.S.S., Assistant Commissioner of Labour, Labour Office, Bombay, as Secretary to the Committee with effect from 5th December 1938.

ISSUE OF MAIN QUESTIONNAIRE.

Chapter I of our Interim Report gives an account of our proceedings leading up to the publication of that Report. In addition to the questionnaire relating to matters covered by paragraph 2 of our terms of reference, which has been reproduced in Appendix A at page 97 of our Interim Report and which was issued on 17th November 1937, we issued a fuller questionnaire covering matters arising from the remaining paragraphs of our terms of reference to about 250 bodies and persons on 23rd November 1937. A copy of this questionnaire will be found in Appendix I at pages 431 to 441 of this Report. It was divided into nine parts. The first 17 questions grouped under part A related to the operations of individual mills and were intended to be answered by them and not by associations of employers or other bodies and persons. Individual units were free to reply to the remaining eight parts of the questionnaire either individually or through the associations of which they were members. Such of the mills in Bombay and Ahmedabad as were members of the Millowners' Association, Bombay, or the Ahmedabad Millowners' Association did not reply to any of the questions in parts B to I but expressed agreement with the replies submitted by the associations of which they were members. Most mills in centres outside Bombay and Ahmedabad furnished memoranda containing replies to questions in all parts of the questionnaire but as we thought it would be useful for the mills in such centres, as had more than one unit, to submit joint memoranda, we requested such mills to do so in respect of questions in parts B to I of the questionnaire. In accordance with this request, the millowners in Sholapur, Viramgam, Barsi, Broach and Surat submitted joint memoranda to us. The Khandesh, Berar and Burhanpur Millowners' Association, which was formed in the middle of the year 1938, submitted a joint memorandum on behalf of the mills in East and West Khandesh.

In addition to the mills, bodies and individuals to whom our questionnaire had been issued on 23rd November 1937, it was also sent from time to time to various other bodies and individuals. The

total number of mills, bodies and individuals to whom the questionnaire was issued was 291. Four mills in Bombay, eight in Ahmedabad and one in another centre were closed and did not send any replies. Three mills in Bombay, eleven in Ahmedabad and eleven mills in other centres, including small power loom factories in Bhiwandi and Malegaon, stated that they were unable to furnish any information. The statistics relating to the numbers of mills, bodies and persons to whom copies of the main questionnaire were issued and the numbers from whom replies were received are not capable of being put into tabular form owing to the diversity of the procedure adopted in dealing with different parts of the questionnaire. We, however, reproduce a list of all bodies and persons who submitted memoranda to us in reply to parts B to I of the questionnaire in Appendix II. This will be found at pages 442 and 443 of this Report.

SITTINGS OF THE COMMITTEE.

On resuming our work, we held two preliminary meetings on 5th and 20th October 1938 among ourselves and two other similar meetings on 21st November and 6th December 1938 with our Associate Members in order to discuss and settle questions connected with our procedure and programme of work. We held 81 sittings for the examination of representatives of various bodies and groups of mills, representative workers from different centres and units and other individuals. Certain Government officers and individual witnesses, at their own request, were examined by us *in camera*. The total number of individual witnesses examined was 733. Seven of these 81 sittings were taken up for the examination of various bodies in connection with the several schemes submitted to us regarding standardization of wages. In addition to these 81 sittings, our Standardization Sub-Committee held seven sittings for discussion of various schemes of standardization with the parties concerned. A list of the various examinations held in these 88 sittings together with details of the places at which they were held and the names of the various individual witnesses who appeared before us will be found in Appendix III printed at pages 444 to 466 of this Report. We held 15 meetings with our Associate Members in order to enable them to present their views on the points covered by our terms of reference. Finally we held 65 meetings between ourselves for the purpose of formulating our conclusions and recommendations and for the reading of the various chapters of our Report and for revising the printed proofs. It will thus be seen that we held nearly 170 sittings since 5th October 1938.

VISITS TO MILLS, FACTORIES AND INSTITUTIONS.

Except for certain smaller centres of the cotton textile industry such as Bhiwandi, Malegaon and Belgaum which have a number of small power loom factories, we visited all the principal centres of the cotton textile industry in the Province. The centres visited were Ahmedabad, Viramgam, Nadiad, Broach, Surat, Jalgaon, Amalner, Chalisgaon, Dhulia, Gadag, Hubli, Gokak, Sholapur, Tikekarwadi, Barsi,

and Poona (in the order of time at which the visits to these centres were paid). In addition to the five mills which we visited before submitting our Interim Report, we visited five cotton mills in Bombay. We visited five mills in Ahmedabad and every mill in each of the other centres enumerated. During our visits to the mills we also saw the mill chawls, dispensary, crèche and other welfare services wherever these had been provided by the management. Wherever time permitted, we inspected general housing conditions in the town or the city concerned and paid visits to institutions with which cotton textile workers had some direct or indirect connection. For example, we visited the Criminal Tribes Settlements at Gadag and Sholapur and the Dhanrajgirji Hospital at Sholapur. We spent one day in Ahmedabad in visiting the office of, and seeing the various welfare activities conducted by, the Textile Labour Association and we also visited the offices of unions of textile workers in Bombay, Viramgam, Sholapur and Hubli. As we thought that it would be useful to us to examine the conditions of life and work in some factories other than those in the cotton textile industry, we visited the factory of the Western India Match Company at Ambernath, the Carriage and Wagon Workshop of the G. I. P. Railway at Matunga, the soap factory of Messrs. Lever Brothers and the factory of the Healds and Reeds Manufacturing Company of India in Bombay City. We also visited the Textile Technical School of the Social Service League and the Technological Laboratory of the Indian Central Cotton Committee in Bombay, certain hand loom factories, the branch office of the Gokhale Institute of Politics and Economics and the Municipal Technical School in Sholapur. We visited one mill each in Bombay, Ahmedabad and Sholapur at night to examine conditions of work during night shift. We also spent one evening with Mr. A. W. Pryde, Labour Officer to the Government of Bombay for Bombay City, at one of his night offices in the Development Department chawls at DeLisle Road and we spent another evening in visiting certain Government welfare centres in Bombay. A list of the various mills, factories and institutions visited by us will be found in Appendix IV at pages 467 to 469 of this Report.

EVIDENCE OF WORKERS.

We had originally decided to record the evidence of the representatives of the mills, the unions and the workers at each of the centres which we visited. It was represented to us, however, that as the offices of the majority of the managing agents of the mills in centres other than Bombay and Ahmedabad were located in Bombay, it would be more convenient for the representatives of the mills concerned to appear before us in Bombay. We accordingly decided to confine the taking of evidence from all associations, bodies and individuals other than actual workers in Bombay and Ahmedabad. As it was inconvenient to call the employees in various centres of the industry to Bombay, we decided to record the evidence of the workers at each of the centres which we visited. The procedure adopted in the selection of the workers for purposes of examination varied at different centres. In Bombay, the Government Labour Officer and certain unions submitted lists of names

from which a few were selected at random. At Ahmedabad and Viramgam we examined workers selected by the Textile Labour Association, Ahmedabad. In all the other centres, except Sholapur, the Secretary went through the various departments of the mill with a clerk and the time-keeper of the mill concerned and selected one or more workers from each department at random. Those workers who were thus selected were examined, strictly *in camera*, on the mill premises. At Sholapur we examined jointly representative workers who were selected by the Secretary in the manner described from each of the five mills in that centre and also those whose names were suggested to us by the Lal Bavta Girni Kamgar Union, Sholapur.

SCHEMES OF STANDARDIZATION OF WAGES.

We appointed a Sub-Committee consisting of Mr. V. L. Mehta and Mr. D. R. Gadgil and all the Associate Members to discuss the various draft schemes of standardization of wages submitted to us with the representatives of the millowners and the unions concerned. In addition, however, to the discussions conducted on the subject by our Standardization Sub-Committee, we had a series of discussions in full Committee with the parties concerned. Our Scheme for Standardization of Wages in Cotton Textile Mills in Bombay was submitted to Government on 23rd December 1939.

ASSOCIATE MEMBERS.

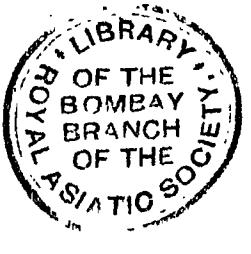
When our Committee was appointed in 1937, Government had not fully defined the duties and functions of our Associate Members. After we resumed our work in October 1938, one of our Associate Members raised the question of the necessity of a proper definition and the matter was referred to Government. In reply to the letter from the Chairman on the subject Government stated that it was their desire that the Associate Members should be consulted at every stage of the proceedings, should have the right of examining witnesses and written evidence and should be given the opportunity of discussing the evidence with us and of influencing us in arriving at conclusions. The Associate Members were, however, to take no part in the actual drafting of the Report and if they submitted their views to us in writing, these views would not form part of the Report nor would they be published. The notes and memoranda submitted by the Associate Members were to be forwarded to Government for their consideration with our Report. In accordance with the procedure laid down, our colleagues have been associated with us in the examination of all the witnesses who appeared before us and in the visits paid by us to the different centres and institutions. On the conclusion of the recording of evidence, the Associate Members presented their views to us on each of the points arising out of our terms of reference and we gave careful consideration to these views before formulating our conclusions and recommendations. The scheme of standardization of wages prepared by us for mills in Bombay was sent to the Associate Members and they

expressed their views on the scheme in person at a meeting of the Committee and also gave written statements which were forwarded to Government along with our Report on the subject.

Printed drafts of the various chapters of this Report were forwarded to the Associate Members as soon as they were ready. The written statements embodying their views which are being submitted to Government along with this Report were carefully considered at a series of further meetings of the Committee and the Draft Report was, as a result, modified in certain particulars.

REPRESENTATIONS MADE ON OUR INTERIM REPORT.

We received representations from the Millowners' Association, Bombay, the Ahmedabad Millowners' Association and the Khandesh, Berar and Burhanpur Millowners' Association, asking us to reconsider the recommendations made in our Interim Report. Copies of these representations were simultaneously forwarded to Government. We gave careful consideration to these representations and arrived at the conclusion that the second term of reference of the Committee, namely, "whether in view of the present condition of the industry an immediate increase in wages can be given in any occupation, centre or unit of the industry, pending the conclusion of the Committee's work and the preparation of its Report" had been considered and disposed of when we submitted our Interim Report to Government. We accordingly held that we had completed our task so far as that term of reference was concerned. We, however, thought it desirable to refer the matter to Government. In reply to this reference, the Chief Secretary to the Government of Bombay wrote a letter to the Chairman on the 26th May 1939 informing him that Government accepted the view expressed in paragraphs 3 and 4 of the Chairman's letter that with the submission of the Interim Report we had completed the task referred to us in the second term of reference. We reproduce the correspondence with Government on this subject in Appendix V which will be found at pages 470 and 471 of this Report.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CHAPTER II

WAGES IN THE COTTON TEXTILE INDUSTRY

Information regarding wages in the cotton textile industry in the Province of Bombay over a period of nearly twenty years is contained in a series of reports published by the Labour Office of the Government of Bombay. The earliest of these reports relate to inquiries conducted by that office for the years 1921, 1923 and 1926. The fourth report to be published was that of the departmental inquiry into wage cuts and unemployment in the industry conducted by the Commissioner of Labour, under the orders of Government, early in the year 1934. As the Government of Bombay carried out a general census into wages in all perennial factories in the Province in the same year, the textile industry was again covered by a comprehensive inquiry into wages in that year. Apart from the chief centres of the industry—Bombay, Ahmedabad and Sholapur—there was no uniformity in this series of wage reports with regard to the presentation of the data for the remaining cotton textile centres in the Province. The 1921 report put all mills in centres outside Bombay, Ahmedabad and Sholapur into one group under the heading "Other Centres". In the report of the 1923 inquiry, this group was split into "Mills in Baroda State" and "Mills in Other Centres". The 1926 inquiry was confined to selected mills in Bombay, Ahmedabad and Sholapur, and other centres of the industry were not covered. For the purposes of the 1934 Departmental Enquiry, mills in "Other Centres" were divided into three groups: (1) Southern Mahratta centres; (2) Khandesh centre; and (3) Other Gujerat centres. For the purposes of the General Wage Census, the Province was divided into ten territorial areas which were: (1) Bombay City; (2) Bombay Suburban, Thana, Kolaba and Ratnagiri Districts; (3) Ahmedabad City; (4) Ahmedabad District, excluding Ahmedabad City, Kaira and Panch Mahals Districts; (5) Broach and Surat Districts; (6) East and West Khandesh; (7) Poona, Nasik and Ahmednagar Districts; (8) Sholapur City; (9) Sholapur District, excluding Sholapur City, and Satara District; and (10) Belgaum, Dharwar, Kanara and Bijapur Districts.

After the General Wage Census had been held, an important change occurred in conditions of work as a result of the application of the new Indian Factories Act which came into operation with effect from January 1935, whereby weekly hours of work in perennial factories were reduced from 60 to 54. Moreover, wages in cotton mills in Ahmedabad were reduced by 6¼ per cent. according to an agreement reached at Delhi between the Ahmedabad Millowners' Association and the Textile Labour Association, Ahmedabad, on 13th January 1935. It, therefore, became necessary to conduct a fresh inquiry into wages in order to supply the Committee with up-to-date data. Government accordingly instructed the Labour Office to conduct such an inquiry in November 1937. As this inquiry had to be completed expeditiously in order to enable the Committee to submit to Government their Interim Report on the second term of reference at an early date, it was felt that it would

not be possible to conduct a survey on the lines of the General Wage Census. It was, therefore, decided to undertake a special inquiry on the basis of a sample for the month of July 1937.

Unlike the General Wage Census of 1934, the 1937 inquiry did not cover textile concerns such as the smaller power loom factories, separate dyeing and bleaching plants, etc. All cotton textile mills which were working in 1937 were, however, covered. The standard list of occupations prepared by the Labour Office at the time of the General Wage Census of 1934 shows that there are about 260 different occupations in the cotton textile industry of this Province. Some of these, however, are not common to all the mills while a few contain only a small number of operatives. Such occupations were, therefore, excluded from the scope of the 1937 inquiry, and the number of occupations and workers covered were 160 and 217,979 respectively. The Labour Office informed us that although about a hundred occupations were left out of the scope of this inquiry, only about 7,500 operatives were excluded as a result of this omission. As in all the previous Labour Office inquiries into wages in the cotton textile industry in the Province, labour employed through contractors was also excluded from this inquiry.

The methods adopted for the 1937 inquiry were in many respects different from those of the previous inquiries conducted by the Labour Office. The first difference was that, except in Ahmedabad and Viramgam, the data regarding time workers were extracted not from the muster rolls but from the wage notices displayed by the mills under Section 19 of the Payment of Wages Act. So far as piece workers were concerned, it was, of course, necessary to extract information regarding their earnings and attendance from the muster rolls themselves. Another difference was that, instead of covering all the operatives in all the occupations, a sample was taken. In every case, however, complete information was called for regarding the actual number of workers employed by each mill in each of the occupations covered by the inquiry. The existence of what is known as the "Relay System" in some of the mills in Ahmedabad necessitated the working out of two sets of averages for that centre in some occupations, namely, an average for workers in mills working with relays and an average for those not so working.

Night shift work on a considerable scale synchronised with the period of the inquiry, and in July 1937, 99 mills employing about 70,000 persons were working on night shift. An examination of the wage notices for day shift workers and for night shift workers, however, revealed that there was little or no difference in the rates of wages paid for day and night work, and, therefore, no data relating to the wages of night shift workers were tabulated. As it was thought that it would be useful to the Committee to have comparative wages data for workers on day shift and on night shift, information relating to piece workers working on night shift was collected and tabulated separately.

On the basis of the 1937 inquiry, the Committee have been furnished with wage data relating to cotton mill operatives in 18 centres in the

Province tabulated on the lines described above. We now proceed to examine these data for the most important occupations in each department. The figures given in the summary tables which follow are those relating to workers employed on day shift only in July 1937. It is necessary to emphasize that these figures take no account of the increases granted in accordance with the recommendations contained in our Interim Report. These increases apply in all cases to the earnings of the individual worker. It would not be accurate to apply these increases to the general averages for particular occupations because in many cases the range of the variations between the highest and the lowest earnings is somewhat wide. We have, therefore, confined our examination of wages to the position prevailing in July 1937. A fair approximation of the actual level of earnings obtaining in August 1939 could, however, be arrived at by incorporating into these the increases at the rates specified in the Schedule given in paragraph 133 of our Interim Report, which we reproduce below :

Schedule

Category of earnings.	Rate of increase.	Remarks.
1	2	3
Below Rs. 13-8 ..	3 Annas in the Rupee.	Provided that no person falling in this category shall receive more than Rs. 15-8 as a result of the increase.
Rs. 13-8 and below Rs. 25.	2½ Annas in the Rupee.	Provided that no person falling in this category shall receive more than Rs. 28 as a result of the increase.
Rs. 25 and below Rs. 35.	2 Annas in the Rupee.	Provided that no person falling in this category shall receive more than Rs. 39-4 as a result of the increase.
Rs. 35 and below Rs. 40.	1½ Annas in the Rupee.	Provided that no person falling in this category shall receive more than Rs. 43 as a result of the increase.
Rs. 40 and below Rs. 75.	1 Anna in the Rupee.	Provided that no person falling in this category shall receive an increase in earnings of less than Rs. 3.
Rs. 75 and over ..	*Nil.*	

(1) *The basis on which the increase will be calculated shall be the net earnings of each individual worker for each pay-period.*

(2) (*a*) *In the case of time workers, the rate of increase for an individual worker in any occupation is indicated by the rate shown in the Schedule against the category of earnings within which may fall the wages to which a worker in that occupation working for the full pay-period is entitled.*

(*b*) *In the case of piece workers, the rate of increase to which an individual worker will be entitled is indicated in the Schedule by the rate shown against the category of earnings within which may fall his net earnings during the pay-period.*

(3) *The earnings shown in the Schedule above relate to a pay-period of 26 working days.*

(4) *In pay-periods containing less or more than 26 working days, the categories of earnings shown in the Schedule should be adjusted in the proportion which the number of working days in the pay-period bears to 26. The maximum and the mininum limits shown in column 3 of the Schedule should also be adjusted in the same proportion.*

(5) *These recommendations apply to the entire body of workers (as defined in the Indian Factories Act but excluding all persons employed in a clerical capacity) employed in the cotton textile industry in the Bombay Province.*

Owing to the existence of a multitude of different pay-periods which are to be found in cotton textile mills in Ahmedabad and in certain other centres, it has not been possible for the Labour Office to ascertain the averages of monthly earnings for all those occupations for which the pay-period is less than a month. We may mention here that there are six different pay-periods for different groups of operatives in the cotton textile mills in Ahmedabad : (1) weavers in all mills are paid for *haptas* of fourteen days, which uniformly commence in all mills on Monday and end on the Sunday of the following week ; (2) process workers in the spinning department are paid for *haptas* of sixteen days ; there is no uniformity with regard to the commencement of these *haptas*, and in certain mills different *haptas* obtain even for different groups of workers in the same department ; (3) workers in supervisory and clerical jobs and in the maintenance and mechanics departments are uniformly paid for periods of a calendar month ; (4) winders and reelers in many mills are paid bi-monthly for periods from the 1st to the 15th and from the 16th to the end of the month irrespective of the number of days in the month. In some mills, winders and reelers are paid either according to the spinning or the weaving *hapta* or by the month ; (5) certain categories of unskilled workers engaged in transport work within the premises of the mill are paid weekly in some of the mills ; and (6) certain workmen engaged in a temporary capacity are paid daily. We recommend that there should be uniformity with regard to the fixation of the pay-period in a centre.

Owing to the reasons mentioned above, we confine our examination of the wage position in this chapter to averages of daily earnings. For the main centres of the industry where there have been marked changes since 1934 we make comparisons with the figures contained in the third of the General Wage Census Reports covering the textile industries. In the summary tables which follow the figures given in brackets below the averages of earnings relate to the numbers of workers concerned in each case. In all cases, general averages have been worked out for the whole Province and these are compared with the corresponding general averages for the year 1934.

BLOW ROOM.

This department is staffed in all cotton mills predominantly by men. The principal occupations are : opener attendants, intermen, scutcher tenters, willowmen and thread extractors. Payment is almost

universally on the basis of time rates of wages. The following table sets out the average daily earnings for men on time rates :

TABLE No. 1.

Average Daily Earnings during July 1937 in some Selected Occupations in the Blow Room.

Centre.	Opener Attendants.	Intermen.	Single Machine Scutcher Tenters.	Willowmen.	Thread Extractors.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay ..	0 13 7 (505)	0 14 5 (136)	0 13 8 (232)	0 12 6 (213)	0 12 3 (140)
Ahmedabad :					
Without Relay.	0 13 6 (171)	0 13 11 (50)	0 14 3 (162)	0 13 1 (74)	0 12 8 (61)
With Relay ..	0 14 3 (37)	0 14 7 (16)	0 15 0 (47)	0 13 4 (14)	0 13 2 (9)
All Mills ..	0 13 8 (208)	0 14 1 (66)	0 14 5 (209)	0 13 1 (88)	0 12 9 (70)
Sholapur ..	0 8 9 (56)	0 9 7 (11)	0 9 7 (60)	0 8 9 (19)	0 9 2 (9)
Kurla ..	0 12 11 (21)	0 13 4 (5)	0 13 5 (13)	0 12 10 (7)	0 12 9 (3)
Viramgam ..	0 9 7 (6)	0 11 1 (3)	0 11 5 (5)	....	....
Nadiad ..	0 12 4 (8)	....	....	....	0 9 9 (1)
Broach ..	0 10 5 (11)	0 11 9 (2)	0 11 5 (3)	0 10 9 (1)	....
Surat ..	0 9 9 (1)	....	0 10 2 (5)	0 9 9 (1)	0 9 9 (2)
Jalgaon ..	0 9 10 (11)	0 10 0 (5)	0 10 1 (7)	0 9 8 (2)	0 10 1 (4)
Amalner ..	0 11 0 (15)	....	0 11 0 (7)	0 11 0 (4)	0 11 0 (4)
Chalisgaon ..	0 9 4 (7)	0 10 2 (3)	0 10 3 (3)	0 8 7 (2)	0 7 5 (2)
Dhulia ..	0 10 5 (8)	0 10 0 (6)	0 10 0 (6)	0 10 5 (2)	0 9 1 (3)
Poona ..	0 8 0 (1)	....	0 11 0 (3)	0 11 0 (1)	0 9 3 (1)
Barsi ..	0 6 5 (7)	0 6 9 (5)	0 6 7 (6)	0 6 9 (5)	0 6 11 (3)
Gokak ..	0 8 4 (9)	....	0 8 10 (20)	0 11 0 (6)	0 9 0 (8)
Hubli ..	0 7 2 (8)	....	0 11 1 (2)	....	....
Gadag ..	....	....	....	0 6 0 (1)	....
Whole Province : July 1937 ..	0 12 10 (882)	0 13 7 (242)	0 13 1 (581)	0 12 3 (352)	0 11 11 (250)
1934 ..	0 12 7 (1,240)	0 13 1 (308)	0 12 10 (693)	0 12 3 (403)	0 11 10 (334)

A noteworthy feature of the figures both in the above and in all subsequent tables in this chapter is the marked variation in the levels of earnings as between the different centres in the Province. The difference in the earnings as between the occupations in this department varied from about one to four annas in all centres except in Amalner where the earnings uniformly averaged eleven annas a day in all occupations. The variation was, however, not uniform in any two or more of these five occupations. For example, opener attendants earned more in Bombay than willowmen and thread extractors. In Sholapur, thread extractors earned more than opener attendants, and the earnings of willowmen were the same as those of opener attendants. A striking feature of the table is the close similarity between the figures of the general averages for the Province as a whole as between July 1937 and 1934 ; but, as far as Ahmedabad is concerned, the average daily earnings in all the occupations examined were about half an anna to an anna and a quarter lower in July 1937 as compared with the averages for 1934.

CARDING ROOM.

There are five principal occupations in the carding room, and these are : (1) grinders ; (2) strippers ; (3) lap carriers ; (4) carding machine attendants ; and (5) fly collectors. Stripping and grinding in most mills are separate occupations. One of the earliest forms of rationalization to be introduced in this department was to ask one worker to do both grinding and stripping. Where these combined " strippers and grinders " were asked to mind more machines, they were classified as " strippers and grinders—efficiency system ". The numbers returned during the inquiries connected with the General Wage Census were 474 grinders, 1069 strippers, 275 " strippers and grinders " and 90 " strippers and grinders—efficiency system ". For the purposes of the 1937 inquiry all combined " strippers and grinders " were put together and no distinction was made between the merely combined and the efficiency groups. The numbers returned for July 1937 for all cotton mills for day shift working were 352 grinders, 898 strippers and 219 " strippers and grinders ". Payment in this department is universally on time rates, and, with a small number of exceptions, all the workers employed were men. The following table sets out the average daily earnings for men in unrationalized occupations in this department :-

TABLE No. 2.

Average Daily Earnings during July 1937 in some Selected Occupations in the Carding Room—Men.

Centre.	Grinders.	Strippers.	Lap Carriers.	Carding Machine Attendants (Standard system).	Fly Collectors.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay ..	0 15 4 (165)	0 14 2 (402)	0 13 0 (292)	0 12 5 (700)	0 12 7 (149)
Ahmedabad : Without Relay.	1 1 1 (103)	0 14 4 (224)	0 13 8 (92)	0 13 7 (246)	0 12 8 (38)
With Relay ..	1 1 6 (24)	0 14 11 (82)	0 14 3 (29)	0 14 5 (116)	0 12 7 (15)
All Mills ..	1 1 2 (127)	0 14 6 (306)	0 13 10 (121)	0 13 10 (362)	0 12 8 (53)
Sholapur ..	0 11 0 (10)	0 9 8 (79)	0 9 1 (46)	0 8 5 (100)	0 8 10 (25)
Kurla ..	0 14 6 (12)	0 14 0 (20)	0 12 10 (13)	0 12 1 (30)	0 13 1 (5)
Viramgam ..	0 14 9 (4)	0 10 2 (8)	0 8 11 (1)	0 9 4 (12)	0 8 11 (1)
Nadiad ..	1 1 6 (2)	0 12 8 (8)	0 12 2 (4)	0 12 2 (8)	....
Broach ..	0 12 5 (5)	0 11 3 (13)	0 9 0 (2)	0 9 6 (15)	....
Surat ..	0 11 3 (2)	0 10 6 (4)	0 9 9 (2)	0 10 0 (7)	....
Jalgaon ..	0 11 1 (7)	0 10 4 (12)	0 10 0 (2)	0 9 8 (11)	0 9 3 (1)
Amalner ..	0 12 2 (3)	0 11 7 (5)	0 11 0 (2)	0 10 7 (12)	0 11 0 (2)
Chalisgaon ..	0 12 4 (3)	0 9 10 (4)	0 8 10 (3)	0 8 4 (6)	0 8 7 (2)
Dhulia ..	0 12 7 (2)	0 10 5 (4)	0 10 0 (4)	0 10 0 (12)	0 10 0 (2)
Poona ..	0 12 0 (2)	0 10 0 (1)	0 10 0 (1)	0 8 0 (4)	0 10 0 (1)
Barsi ..	0 9 7 (2)	0 6 11 (9)	0 6 7 (5)	0 5 4 (7)	0 5 3 (1)
Gokak ..	0 11 1 (4)	0 8 9 (19)	0 9 8 (14)	0 9 8 (38)	....
Hubli ..	0 9 9 (1)	....	0 8 8 (2)	0 8 7 (9)	0 6 0 (14)
Gadag ..	0 7 0 (1)	0 6 0 (4)	....	0 5 6 (5)	....
Whole Province : July 1937 ..	0 15 7 (352)	0 13 5 (898)	0 12 7 (514)	0 12 2 (1,338)	0 11 9 (256)
1934 ..	0 15 8 (474)	0 13 5 (1,069)	0 12 4 (664)	0 11 11 (1,722)	0 11 11 (305)

The highest levels of earnings in this department are those for grinders. Strippers come next in very close order, but in certain centres the differences in the earnings between these two occupations are very

narrow and in others very wide. For example, whereas strippers in Kurla earned only half an anna per day less than grinders, their earnings in Nadiad were nearly five annas a day less. Fly collectors in certain centres such as Bombay, Sholapur, Kurla, Amalner, Chalisgaon and Poona earned slightly more than carding machine attendants.

As in the case of the blow room, the levels of daily earnings in all mills in Ahmedabad were about an anna to an anna and a half per day lower in July 1937 as compared with 1934—the most striking reduction being that in the level of earnings of fly collectors who earned twelve annas and eight pies per day in July 1937 as compared with fourteen annas and two pies per day in 1934. A comparison of the general averages for the whole Province as between these two years shows a maximum variation of only three pies—in certain cases in favour of the year 1937 and in certain others in favour of the year 1934. The following table sets out the average daily earnings in rationalized occupations in the carding room:

TABLE No. 3.

Average Daily Earnings in Rationalized Occupations in the Carding Room in July 1937.

Centre.	Strippers and Grinders.	Carding Machine Attendants (Efficiency System).
	Rs. a. p.	Rs. a. p.
Bombay	1 0 7 (192)	0 11 11 (84)
Ahmedabad : Without Relay	0 14 7 (6)	0 14 1 (34)
With Relay	....	0 13 8 (2)
All Mills	0 14 7 (6)	0 14 1 (36)
Sholapur	0 9 6 (21)	....

The average daily earnings of this group in Sholapur in 1937 were about the same as in 1934, but the earnings fell from fifteen annas and nine pies per day to fourteen annas and seven pies per day in Ahmedabad as between 1934 and 1937. The earnings of carding machine attendants on the efficiency system improved in Bombay and worsened in Ahmedabad by about half an anna between 1934 and 1937. It is of interest to note that, whereas carding machine attendants on the standard system in mills in Bombay earned an average daily wage of twelve annas and five pies, those on the efficiency system earned about half an anna per day less.

DRAWING DEPARTMENT.

There is only one main occupation in this department, and that is of drawing tenters. The normal method of work is to allot one head to each tenter. Efficiency systems cover the allotment of three heads to two men, four heads to three men and two heads to one man. Payment is predominantly on piece rates, but certain mills in Bombay, Ahmedabad, Viramgam, Broach and Jalgaon and the mills in Chalisgaon and Hubli pay wages in this department on time rates. In the mill in Gadag, wages in this department are paid both on time and piece rates. A few women are employed in this department, and the figures of the numbers so employed will be found in the following table which sets out the average daily earnings of one-head drawing tenters:

TABLE No. 4.

Average Daily Earnings of One-Head Drawing Tenters in July 1937.

Centre.	One-Head Drawing Tenters.		
	Men. (Time.)	Men. (Piece.)	Women. (Piece.)
	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	0 13 6 (46)	0 15 11 (915)	....
Ahmedabad :			
Without Relay	1 0 0 (21)	0 15 11 (559)	0 15 9 (12)
With Relay	....	1 2 4 (131)	1 1 3 (4)
All Mills	1 0 0 (21)	1 0 4 (690)	1 0 2 (16)
Sholapur	....	0 9 8 (274)	0 9 9 (3)
Kurla	....	1 0 10 (80)	....
Viramgam	0 8 11 (12)	0 12 0 (17)	0 11 1 (4)
Nadiad	....	0 11 7 (18)	0 11 5 (3)
Broach	0 9 0 (6)	0 14 4 (12)	....
Surat	....	0 13 5 (2)	0 14 1 (4)
Jalgaon	0 11 6 (15)	0 11 7 (24)	....
Amalner	....	0 14 4 (30)	....
Chalisgaon	0 12 7 (18)	....	....
Dhulia	....	0 11 6 (36)	....
Poona	....	0 13 1 (9)	....

TABLE No. 4—*contd.*

Centre.	One-Head Drawing Tenters.		
	Men. (Time.)	Men. (Piece).	Women. (Piece.)
	Rs. a. p.	Rs. a. p.	Rs. a. p.
Barsi	....	0 8 7 (18)	....
Gokak	....	0 13 6 (38)	....
Hubli	0 6 5 (17)	....	....
Gadag	0 5 0 (2)	0 7 0 (12)	....
Whole Province: July 1937	0 11 10 (131)	0 14 11 (2,175)	0 14 1 (30)
1934	0 10 7 (128)	1 0 6 (3,273)	0 15 3 (53)

It will be noticed that in those centres, where payment in this department is made both on time and piece rates, the earnings for time-rated workers are lower than those for piece workers. As compared with the figures for 1934, one-head drawing tenters in Ahmedabad show a fall in earnings from Rs. 1-4-0 per day to Rs. 1-0-4 per day. The levels of earnings in Bombay and Sholapur for piece-rated men fell from Rs. 1-0-6 to fifteen annas and eleven pies and from eleven annas and two pies to nine annas and eight pies per day respectively. If the figures for the Province as a whole are considered, the earnings of time workers show an improvement from ten annas and seven pies per day to eleven annas and ten pies per day, but those of piece workers fell from Rs. 1-0-6 to fourteen annas and eleven pies per day. The average daily earnings for workers employed in each of the three rationalized occupations are set out in the following table:

TABLE No. 5.

Average Daily Earnings in Rationalized Occupations in the Drawing Department in July 1937. (Piece unless otherwise stated.)

Centre.	Drawing Tenters.			
	Four Heads to three men.	Three Heads to two men.		Two Heads to one man.
		Men.	Women.	
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	1 3 2 (9)	1 1 5 (671)	....	....

TABLE No. 5—*contd.*

Centre.	Drawing Tenters.			
	Four Heads to three men.	Three Heads to two men.		Two Heads to one man.
		Men.	Women.	
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Ahmedabad :				
Without Relay	....	1 2 0 (115)	1 3 11 (3)	1 2 11 (5)
With Relay	....	1 1 3 (18)	....	....
All Mills	....	1 1 11 (133)	1 3 11 (3)	1 2 11 (5)
Broach	....	....	....	T 0 10 0 (11)
Barsi	....	....	....	0 7 2 (9)
Gokak	....	0 13 5 (34)	....	....

T = Time.

An examination of the figures given at pages 94 and 95 of the third of the General Wage Census Reports published by the Labour Office covering the textile industries shows that, whereas there were 1,528 one-head drawing tenters employed in all shifts in all mills in Bombay, the number of two men to three-head drawing tenters amounted to 604. The numbers returned for day shift working alone in 1937 are 955 one-head drawing tenters and 671 drawing tenters on the system of three heads to two men. These figures would show that there has been some extension in the allotment of three heads to two men in the drawing department as between 1934 and 1937. A much larger development in this direction is noticeable in Ahmedabad where the similar figures for 1934 and 1937 were 26 and 136 respectively including three women in the latter case. The average daily earnings in Bombay fell from Rs. 1-2-2 to Rs. 1-1-5 and in Ahmedabad from Rs. 1-6-3 to Rs. 1-1-11. Only 9 men were employed on the four heads to three men system in 1937 in mills in Bombay on day shift as compared with 45 men in 1934 on all shifts. Earnings, however, improved from an average of Rs. 1-1-1 to Rs. 1-3-2 per day. This method of working does not appear to be resorted to in any centre outside Bombay. The total number employed in the whole Province on the two heads to one man system was 25, distributed as follows: Ahmedabad 5, Broach 11 and Barsi 9.

FRAME DEPARTMENT.

The chief occupations in the frame department are slubbing tenters, inter tenters, roving tenters, creelers and doffers. Creelers and doffers are universally paid on time rates, but all the three main classes of tenters are predominantly paid on the basis of piece work. With the exception of one woman roving tenter in Bombay and 37 women tenters in Ahmedabad all frame tenters were men. As doffers in both the frame

and ring spinning departments are employed on the same rates of wages in individual mills, all doffers were grouped together for the purposes of the 1937 inquiry as was done in the General Wage Census. The occupation of doffers will be dealt with in the next section on ring spinning. Except in the mills in Viramgam, Broach, Jalgaon, Amalner and Barsi, where slubbing tenters are always given back tenters, the predominant method of work in slubbing is not to provide slubbing tenters with back tenters. The figures for the whole Province for day shift working are 1,107 slubbing tenters without back tenters and 327 with back tenters. As far as inter tenters are concerned, the predominant method of work appears to be the allotment of single machines to each tenter although mills in Bombay returned 25 double machine inter tenters and the mill in Nadiad returned all its inter tenters as double machine tenters.

In roving the normal method of work is to expect roving tenters to do their own creeling—the figures for day shift working for the whole Province showing 3,236 roving tenters doing their own creeling as against only 95 not doing their own creeling. Under efficiency systems of work two machines are allotted to each roving tenter. Here also a difference is made as between double machine roving tenters doing their own creeling and those not so doing. The following table sets out the average daily earnings of single machine slubbing, inter and roving tenters and creelers:.

TABLE No. 6.

Average Daily Earnings in the Frame Department—Men.

Centre.	*T or P.	Slubbing Tenters.		Single machine Inter Tenters.	Single machine Roving Tenters.		Creelers.
		With back tenters.	Without back tenters.		Doing own creeling.	Not doing own creeling.	
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay ..	T	0 11 10 (28)	0 14 9 (17)	..	0 12 4 (2)	..	0 11 6 (25)
	P	1 0 7 (68)	1 1 0 (605)	0 15 6 (1,246)	0 14 10 (1,090)	0 14 2 (9)	..
Ahmedabad: Without Relay.	T	..	0 15 9 (6)	1 0 0 (6)	0 15 9 (16)	..	0 10 3 (4)
	P	1 1 0 (109)	1 3 2 (233)	1 1 9 (549)	0 15 7 (1,088)	0 14 7 (30)	..
With Relay	P	1 1 9 (51)	1 3 4 (47)	1 3 0 (121)	1 0 7 (308)	..	..
All Mills ..	T	..	0 15 9 (6)	1 0 0 (6)	0 15 9 (16)	..	0 10 3 (4)
	P	1 1 3 (160)	1 3 2 (280)	1 2 0 (670)	0 15 10 (1,396)	0 14 7 (30)	..
Sholapur ..	T	..	..	0 10 10 (26)	0 10 10 (133)	..	0 8 0 (18)
	P	..	0 11 3 (93)	0 10 10 (145)	0 9 7 (127)	..	..

*T = Time, and P Piece

TABLE No. 6—*contd.*

Centre.	*T or P.	Slubbing Tenters.		Single machine Inter Tenters.	Single machine Roving Tenters.		Creelers.
		With back tenters.	Without back tenters.		Doing own creeling.	Not doing own creeling.	
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Kurla ..	T	..	..	..	..	..	0 11 6 (17)
	P	..	1 0 6 (29)	0 15 0 (55)	1 0 5 (25)	0 12 11 (38)	..
Viramgam ..	P	0 10 8 (24)	..	0 12 6 (24)	0 10 1 (57)	..	..
Nadiad ..	P	..	1 2 2 (7)	..	..	0 15 4 (2)	..
Broach ..	T	0 10 0 (2)	..	..	..	..	..
	P	0 12 11 (18)	..	0 14 2 (25)	0 12 5 (49)	..	..
Surat ..	P	..	1 1 1 (2)	0 12 11 (6)	0 12 9 (17)	..	..
Jalgaon ..	P	0 10 0 (8)	..	0 11 6 (8)	0 11 7 (17)	..	..
	P	..	0 11 6 (8)	0 11 0 (16)	0 10 4 (33)	..	..
Amalner ..	P	0 13 5 (10)	..	0 11 2 (22)	0 10 6 (48)	..	..
Chalisgaon ..	T	..	0 13 10 (6)	0 13 11 (14)	..	0 13 10 (16)	..
Dhulia ..	P	..	0 12 7 (12)	0 11 1 (21)	0 10 1 (51)	..	..
Poona ..	P	..	0 13 1 (3)	0 13 4 (6)	0 13 3 (15)	..	..
Barsi ..	T	..	..	..	..	..	0 5 3 (5)
	P	0 8 6 (9)	..	0 7 7 (18)	0 7 2 (27)	..	..
Gokak ..	P	..	0 13 3 (29)	0 11 5 (55)	0 10 10 (97)	..	..
Hubli ..	P	..	0 11 0 (6)	0 9 1 (6)	0 8 4 (21)	..	..
Gadag ..	P	..	0 7 5 (4)	0 5 11 (8)	0 5 9 (15)	..	..
Whole Province: July 1937..	P	0 11 4 (38)	0 14 9 (29)	0 12 4 (54)	0 11 5 (168)	0 13 10 (16)	0 10 1 (69)
	P	0 15 10 (289)	1 0 10 (1,078)	0 15 6 (2,323)	0 14 5 (3,068)	0 13 9 (79)	..
	All	0 15 4 (327)	1 0 9 (1,107)	0 15 6 (2,377)	0 14 3 (3,236)	0 13 9 (95)	0 10 1 (69)
1934 ..	T	0 11 9 (36)	0 10 0 (18)	0 11 8 (33)	0 11 0 (153)	0 8 5 (8)	0 10 2 (199)
	P	1 2 4 (691)	1 2 3 (1,086)	1 1 1 (2,917)	1 0 2 (4,733)	1 1 4 (90)	..
	All	1 1 11 (727)	1 2 1 (1,104)	1 1 0 (2,950)	1 0 0 (4,886)	1 0 9 (98)	0 10 2 (199)

*T = Time, and P = Piece.

The earnings of slubbing tenters who are not provided with back tenters are in all cases higher than of those who are so provided. As compared with 1934, the earnings of slubbing tenters have fallen—in some cases considerably—in 1937. For example, whereas 433 slubbing tenters with back tenters and 238 without back tenters in Ahmedabad earned averages of daily earnings amounting to Rs. 1-4-3 and Rs. 1-8-11 respectively in 1934, the earnings of 160 and 280 workers in these two groups fell to Rs. 1-1-3 and Rs. 1-3-2 respectively in 1937. In mills in Bombay, the earnings of slubbing tenters without back tenters fell from Rs. 1-2-1 in 1934 to Rs. 1-1-0 in 1937, and the earnings of the same group in Sholapur fell from twelve annas and eleven pies to eleven annas and three pies per day during the same period. As compared with slubbing tenters, single machine inter tenters show lower levels of earnings in the three chief centres of the industry, but in the case of certain centres such as Viramgam, Broach and Jalgaon the earnings of single machine inter tenters are higher.

The drop in earnings as between 1934 and 1937 in the three chief centres of the industry is markedly reflected in the general averages for the Province as a whole. For example, the averages for all piece-rated slubbing tenters with back tenters fell from Rs. 1-2-4 to fifteen annas and ten pies per day and those of slubbing tenters without back tenters from Rs. 1-2-3 to Rs. 1-0-10. Similar decreases are noticeable in almost all the other figures for the general averages in the above table. The following table gives the figures of numbers of inter and roving tenters employed on double machines in mills in various centres of the Province together with their average daily earnings :

TABLE No. 7.

Average Daily Earnings of Double Machine Inter and Roving Tenters in July 1937.

Centre.	Time or Piece.	Double machine Inter Tenters.	Double machine Roving Tenters.	
			Doing own creeling.	Not doing own creeling.
		Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	Piece ..	1 0 4 (25)	1 3 0 (694)	1 4 0 (40)
Ahmedabad : Without Relay	Do. ..	....	1 5 4 (40)	1 5 3 (8)
With Relay	Do. ..	....	1 7 6 (5)	....
All Mills	Do. ..	....	1 5 7 (45)	1 5 3 (8)

TABLE No. 7—*contd.*

Centre.	Time or Piece.	Double machine Inter Tenters.	Double machine Roving Tenters.	
			Doing own creeling.	Not doing own creeling.
		Rs. a. p.	Rs. a. p.	Rs. a. p.
Sholapur	Time ..	....	0 14 7 (10)	....
Kurla	Piece ..	....	....	0 15 2 (6)
Nadiad	Do. ..	1 9 0 (6)	....	1 3 11 (18)
Barsi	Do. ..	....	0 12 9 (5)	....

Only a few inter tenters are employed on double machines in mills in Bombay and Nadiad. In Bombay the daily earnings of 25 double machine inter tenters averaged Rs. 1-0-4 per day as against fifteen annas and six pies for single machine inter tenters. In the mill in Nadiad, no single machine inter tenters are employed. The inquiries in connection with the General Wage Census of 1934 showed 56 roving tenters employed on the basis of two men to three machines. No workers were returned in this category during the 1937 inquiry. On the other hand, figures were returned for double machine roving tenters doing their own creeling and not doing their own creeling. The predominant group is that of those doing their own creeling. The average daily earnings of double machine roving tenters in mills in Bombay fell from Rs. 1-6-5 in 1934 to Rs. 1-3-0 in 1937. There were no double machine roving tenters in Ahmedabad in 1934. The system, however, appears to have been introduced and made some progress since then because during the 1937 inquiry a total of 53 workers were returned in this group—45 doing their own creeling with an average daily earning of Rs. 1-5-7 and 8 not doing their own creeling with an average daily earning of Rs. 1-5-3.

RING SPINNING DEPARTMENT.

The two principal occupations in the ring spinning department are siders or piecers, as they are sometimes called, and doffers. In certain centres, a subsidiary group of workers who are known as gaiters or tarwallas are also employed. No such workers are employed in mills in Ahmedabad, Viramgam, Nadiad, Broach, Surat, Poona and Gokak. Siders in some mills in Bombay, Ahmedabad and Sholapur and all siders in the mill at Gadag are paid on piece rates. The predominant method of payment for this group is, however, on time rates. Gaiters and doffers are always on time rates.

The ring spinning department is the first of the process departments in a cotton textile mill which gives employment to a considerable number of women. The total number of women employed in this department in all mills in the Province amounted to 4,317 in July 1937. The Wage Census Report on the textile industries shows that a total number of 983 children were employed as doffers in various cotton textile mills in the Province. The results of the Labour Office inquiry for the year 1937 do not show any children as being employed in this department except in mills in Viramgam. In this centre 69 half-time doffers were returned with an average daily earning of three annas and one pie as against three annas and ten pies in 1934. In the following table we show the average daily earnings of single side siders, gaiters or tarwallas, and doffers, separately for men and women according to whether they were paid on time or piece rates :

TABLE No. 8.

Average Daily Earnings of Single Side Siders, Gaiters and Doffers in July 1937.

Centre.	*T or P.	Single Side Siders.		Gaiters or Tarwallas.		Doffers.		
		Men.	Women.	Men.	Women.	Men.	Women.	Children.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay ..	T	0 13 8 (4,169)	0 13 3 (296)	0 13 0 (2,268)	0 12 3 (300)	0 10 6 (6,950)	0 10 3 (1,090)	..
	P	1 5 4 (80)	..	..	..	..	..	..
Ahmedabad : Without Relay	T	0 15 6 (2,062)	0 15 3 (512)	..	..	0 10 7 (3,632)	0 10 8 (470)	..
With Relay ..	T	1 0 1 (1,983)	1 0 0 (392)	..	..	0 11 1 (1,595)	0 10 11 (135)	..
All Mills ..	T	0 15 9 (4,045)	0 15 7 (904)	..	..	0 10 9 (5,137)	0 10 9 (605)	..
Sholapur ..	T	0 8 10 (1,413)	0 10 2 (56)	0 7 6 (361)	0 7 7 (12)	0 7 1 (1,324)	0 6 11 (20)	..
	P	0 9 3 (255)	0 9 10 (2)	..	..	..	..	..
Kurla ..	T	0 14 3 (541)	..	0 12 6 (56)	..	0 10 0 (326)	..	..
Viramgam ..	T	0 11 2 (231)	0 10 11 (41)	..	..	0 6 0 (128)	0 6 0 (34)	0 3 1 (69
Nadiad ..	T	0 12 4 (10)	0 12 5 (2)	..	..	0 8 11 (163)	0 9 2 (5)	..
Broach ..	T	0 11 10 (212)	0 9 7 (45)	..	..	0 7 9 (157)	..	..
Surat ..	T	0 11 9 (77)	0 11 9 (23)	..	..	0 7 0 (50)	0 7 0 (18)	..
Jalgaon ..	T	0 10 6 (192)	..	0 8 2 (72)	..	0 6 7 (108)	..	..
Amalner ..	T	0 10 7 (246)	..	0 8 5 (69)	..	0 5 10 (166)	..	..

*T = Time, and P = Piece.

TABLE No. 8—*contd.*

Centre.	*T or P.	Single Side Siders.		Gaiters or Tarwallas.		Doffers.		
		Men.	Women.	Men.	Women.	Men.	Women.	Children.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs.a. p.	Rs. a. p.	Rs. a. p.
Chalisgaon ..	T	0 11 1 (82)	..	0 8 0 (31)	..	0 6 9 (67)	..	..
Dhulia ..	T	0 11 0 (264)	..	0 8 1 (36)	..	0 5 8 (139)	..	..
Poona ..	T	0 11 5 (67)	0 11 5 (5)	..	..	0 7 0 (47)	0 7 0 (3)	..
Barsi ..	T	0 6 11 (170)	..	0 5 0 (65)	0 4 11 (2)	0 4 2 (79)	0 4 2 (16)	..
Gokak ..	T	0 7 2 (314)	0 7 3 (127)	..	..	0 4 9 (408)	0 3 9 (109)	..
Hubli ..	T	0 7 6 (47)	0 7 6 (45)	0 4 0 (6)	0 6 0 (31)	0 4 6 (38)	0 4 6 (25)	..
Gadag ..	P	0 6 7 (4)	0 6 3 (54)	..	0 4 10 (28)	0 3 11 (16)	0 3 8 (20)	..
Whole Province: July 1937 ..	T	0 13 3 (12,071)	0 13 8 (1,544)	0 11 9 (2,964)	0 11 0 (373)	0 9 10 (15,303)	0 9 8 (1,945)	0 3 1 (69)
	P	0 12 1 (339)	0 6 5 (56)	..	..	..	..	..
	All	0 13 3 (12,410)	0 13 5 (1,600)	0 11 9 (2,964)	0 11 0 (373)	0 9 10 (15,303)	0 9 8 (1,945)	0 3 1 (69)
1934 ..	T	0 13 8 (20,873)	0 14 4 (3,347)	0 11 8 (3,793)	0 11 5 (611)	0 9 10 (15,166)	0 9 9 (3,146)	0 3 8 (983)
	P	0 9 9 (272)	0 7 4 (53)	..	..	..	..	..
	All	0 13 7 (21,145)	0 14 2 (3,400)	0 11 8 (3,793)	0 11 5 (611)	0 9 10 (15,166)	0 9 9 (3,146)	0 3 8 (983)

*T = Time, and P = Piece.

As between men and women workers, the differences in earnings are very small except in Gokak where 109 women doffers earned on an average three annas and nine pies as against an average daily earning of four annas and nine pies for 408 men doffers. In Bombay, men siders earned about five pies per day more and men tarwallas earned nine pies per day more than women employed in these occupations. As compared with 1934, the earnings of siders improved by one pie per day in Bombay and worsened by eight pies per day in Ahmedabad. Men gaiters or tarwallas in mills in Bombay secured an average daily earning very near to that of men single-side siders, but the earnings of women tarwallas amounted to about an anna per day less.

The wage position of all groups of single side siders except men on piece rates worsened slightly between 1934 and 1937. The average daily earnings of the excepted group improved from nine annas and nine pies for 272 men in 1934 to twelve annas and one pie for 339 men in 1937. The position with regard to gaiters and doffers, however, remained about the same. In the following table we set out the

information available regarding numbers and wages of double side and treble side siders:

TABLE No. 9.

Average Daily Earnings of Double and Treble Side Siders in July 1937.

Centre.	*T or P	Double Side Siders. Men.	Double Side Siders. Women.	Treble Side Siders. Men.	Treble Side Siders. Women.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	T	1 1 10 (4,468)	1 2 6 (195)	1 5 10 (28)	....
	P	1 5 4 (13)	....	....	....
Ahmedabad:					
Without Relay ..	T	1 5 10 (1,888)	1 5 9 (197)	....	....
	P	1 5 6 (46)	....	....	....
With Relay ..	T	1 6 7 (107)	1 5 8 (6)	....	....
All Mills	T	1 5 10 (1,995)	1 5 9 (203)	....	....
	P	1 5 6 (46)	....	....	....
Sholapur	T	0 13 5 (9)	....	....	....
Kurla	T	1 2 10 (41)	....	....	....
Nadiad	T	1 0 5 (109)	1 0 9 (1)	....	....
Chalisgaon	T	1 3 1 (16)	....	....	....
Whole Province:					
July 1937	T	1 3 0 (6,638)	1 4 2 (399)	1 5 10 (28)	....
	P	1 5 6 (59)	....	....	....
	All	1 3 1 (6,697)	1 4 2 (399)	1 5 10 (28)	....
1934	T	1 3 0 (4,001)	1 3 1 (151)	....	....
	P	1 6 7 (216)	....	....	....
	All	1 3 2 (4,217)	1 3 1 (151)	....	....

*T = Time, and P = Piece.

An examination of the figures at page 101 of the Third Report of the General Wage Census shows that there were 3,596 double side siders as against 8,798 single side siders employed in all shifts in Bombay and that there were only 676 double side siders as against 10,640 single side siders employed in all shifts in Ahmedabad. An examination of the figures contained in the above two tables for the year 1937 shows

that there were 4,676 double side siders as against 4,536 single side siders working on day shifts alone in Bombay and 2,244 double side siders as against 4,949 single side siders working on day shifts alone in Ahmedabad. These figures show that there has been a rapid extension in rationalization in the ring spinning department in the two main centres of the industry in the Province. The table also shows that there was little rationalization in this department in mills outside Bombay, Ahmedabad and Nadiad.

Double side siders on time rates in Bombay and Ahmedabad earned an average daily wage of Rs. 1-1-10 and Rs. 1-5-10 respectively as against average daily earnings of thirteen annas and eight pies and fifteen annas and nine pies respectively of single side siders. As compared with 1934, the earnings of double side siders on time rates fell from Rs. 1-2-6 to Rs. 1-1-10 in 1937 in Bombay and from Rs. 1-7-9 to Rs. 1-5-10 in Ahmedabad.

MULE SPINNING DEPARTMENT.

The principal occupations in this department are spinners, engine piecers, side piecers and creel boys. The total number of workers employed in this department on day shift working in all mills in the Province in July 1937 amounted to 656, of whom 624 or more than 95 per cent. were employed in mills in Bombay. There was no mule spinning whatever in mills in Ahmedabad in 1937. No women are employed in this department, and although payment in some mills is made on time rates, the piece rate system is the predominant mode of wage payment. The average daily earnings in the occupations specified in July 1937 were as set out in the following table :

TABLE No. 10.

Average Daily Earnings in the Mule Spinning Department in July 1937.

Centre.	*T or P	Spinners.	Engine Piecers.	Side Piecers.	Creel Boys.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	T	1 12 6 (5)	1 2 0 (35)	1 1 8 (46)	0 10 10 (148)
	P	1 8 3 (77)	1 2 1 (128)	1 0 10 (181)	0 10 2 (4)
Sholapur	T	0 12 10 (5)	....	....	0 8 (3)
Amalner	T	0 11 10 (1)	0 11 0 (1)	0 11 0 (1)	....
Gokak	P	....	0 9 3 (3)	0 8 2 (11)	....
Hubli	T	0 14 9 (1)	....	0 9 3 (6)	....

*T = Time, and P = Piece.

TABLE No. 10—*contd.*

Centre.	*T or P	Spinners.	Engine Piecers.	Side Piecers.	Creel Boys.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Whole Province : July 1937	T	1 3 5 (12)	1 1 10 (36)	1 0 7 (53)	0 10 9 (151)
	P	1 8 3 (77)	1 1 11 (131)	1 0 4 (192)	0 10 2 (4)
	All	1 7 7 (89)	1 1 10 (167)	1 0 5 (245)	0 10 9 (155)
1934	T	1 4 5 (20)	1 1 8 (58)	0 15 9 (111)	0 10 7 (254)
	P	1 10 2 (121)	1 3 5 (214)	1 1 11 (369)	0 13 1 (5)
	All	1 9 5 (141)	1 3 0 (272)	1 1 5 (480)	0 10 8 (259)

*T = Time, and P = Piece.

REELING DEPARTMENT.

There is only one important occupation in this department, and that is reeling itself. This department is staffed overwhelmingly by women. The figures for 1934 were 11,312 women and 263 men. Similar figures for 1937 were 11,004 women and 127 men. Inquiries conducted by the Labour Office into wages prior to 1937 made no distinction between hand and power reelers. For the purposes of the 1937 inquiry, however, special information regarding the number and earnings of power reelers was procured in certain cases. Except 25 power reelers in mills in Sholapur who earned an average daily wage of six annas and five pies on time rates, all the remaining power reelers were on piece rates. The figures regarding their average daily earnings are as follows :—

	Rs. a. p.
Bombay	0 10 1 (350)
Ahmedabad	0 10 8 (102)
Sholapur	0 4 11 (28)
Kurla	0 9 1 (143)
Gokak	0 8 9 (713)

The following table gives the average daily earnings for all women reelers according to whether they were on time or piece rates :

TABLE No. 11.

Average Daily Earnings of Reelers in July 1937.

Centre.	Reelers (Women).	
	Time.	Piece.
	Rs. a. p.	Rs. a. p.
Bombay	0 8 3 (31)	0 9 0 (5,870)
Ahmedabad : Without Relay	0 9 6 (16)	0 8 7 (1,269)
With Relay	0 11 1 (6)	0 9 5 (18)
All Mills	0 9 11 (22)	0 8 7 (1,287)
Sholapur	0 6 0 (41)	0 4 1 (1,249)
Kurla	....	0 9 11 (198)
Viramgam	0 6 9 (3)	0 4 9 (16)
Nadiad	....	0 10 5 (31)
Broach	....	0 6 0 (51)
Surat	....	0 7 6 (12)
Jalgaon	....	0 4 7 (147)
Amalner	....	0 4 2 (125)
Chalisgaon	....	0 5 11 (25)
Dhulia	....	0 6 0 (101)
Poona	....	0 4 3 (8)
Barsi	....	0 4 3 (431)
Gokak	....	0 8 6 (864)

TABLE No. 11—*contd.*

Centre.	Reelers (Women).	
	Time.	Piece.
	Rs. a. p.	Rs. a. p.
Hubli	0 4 0 (2)	0 4 7 (308)
Gadag	0 6 0 (1)	0 3 4 (181)
Whole Province : July 1937	0 7 6 (100)	0 7 9 (10,904)
	0 7 9 (11,004)	
1934	0 7 5 (153)	0 9 3 (11,159)
	0 9 2 (11,312)	

As compared with the averages for 1934, the earnings of women reelers in Ahmedabad fell from eleven annas and seven pies per day in 1934 to eight annas and seven pies per day in 1937. The extent of the fall in Bombay is less—the figures being ten annas and two pies in 1934 and nine annas in 1937. The general average for all women reelers in all mills in the Province fell from nine annas and two pies per day to seven annas and nine pies per day.

WINDING DEPARTMENT.

The principal occupation in this department is that of winding, but there are several different types of winding. The workers engaged on these different types are grouped into three main classes: (1) grey winders; (2) colour winders; and (3) pirn or universal winders. As in reeling, this department also is predominantly staffed with women workers, but not to the same extent. The figures returned for the purposes of the General Wage Census show that the total number employed as winders of all types in all shifts in all cotton mills amounted to 24,219, of whom 19,839 or 81·91 per cent. were women and 4,380 or 18·09 per cent. men. The total number of winders employed on day shift alone in July 1937 in all mills in the Province amounted to 25,969, of whom 24,022 or 92·50 per cent. were women and only 1,947 or 7·50 per cent. were men. It is of interest to observe that 1,182 or 60·70 per cent. of the total number of men winders were employed in mills in Ahmedabad. In this connection it is, however, necessary to emphasize that whereas the figures for 1934 covered all shifts, the figures for 1937 given here are for day shift only, and it is more than

probable that a large number of men were employed as winders for the purposes of night shift working. Payment in this department is predominantly on the basis of production and only 467 or 1·80 per cent. of the total number of 25,969 winders employed on day shift were paid on time rates.

There are a few instances of workers in this department being put on rationalized systems of work, but it has not been possible for the Labour Office to collect any data regarding the numbers so employed. The following table shows the average daily earnings of men and women employed in the three principal types of winding in July 1937 according to whether they were paid on time or piece:

TABLE No. 12.

Average Daily Earnings in the Winding Department in July 1937—Men and Women.

Centre.	*T or P.	Grey Winders.		Colour Winders.		Pirn Winders.	
		Men.	Women.	Men.	Women.	Men.	Women.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay ..	T	0 8 6 (1)	0 10 8 (29)	0 11 11 (6)	0 10 9 (10)	0 12 10 (59)	0 10 2 (35)
	P	0 11 7 (37)	0 9 11 (7,654)	0 15 5 (21)	0 12 8 (3,687)	1 1 6 (157)	0 11 1 (2,936)
Ahmedabad: Without Relay.	T	0 15 10 (26)	..	0 7 0 (1)	..	0 11 0 (77)	0 14 5 (22)
	P	0 9 11 (665)	0 8 5 (3,359)	0 11 4 (407)	0 10 3 (1,766)	0 13 0 (5)	..
With Relay	T	..	..	..	..	0 10 7 (1)	..
All Mills ..	T	0 15 10 (26)	..	0 7 0 (1)	..	0 11 0 (78)	0 14 5 (22)
	P	0 9 11 (665)	0 8 5 (3,359)	0 11 4 (407)	0 10 3 (1,766)	0 13 0 (5)	..
Sholapur ..	T	..	0 6 6 (45)	..	0 5 7 (4)	0 9 1 (47)	0 5 2 (58)
	P	..	0 4 6 (1,287)	..	0 5 0 (543)	0 8 0 (368)	0 9 8 (108)
Kurla ..	P	..	0 10 0 (225)	..	0 11 9 (72)	..	0 10 11 (86)
Viramgam ..	T	..	..	..	..	0 7 7 (2)	0 7 3 (1)
	P	0 5 11 (7)	0 7 2 (120)	1 2 10 (3)	0 12 11 (25)	..	..
Nadiad ..	T	..	..	..	..	0 9 3 (6)	..
	P	..	0 9 9 (111)	..	0 15 4 (92)	..	..
Broach ..	T	..	..	..	..	..	0 6 0 (24)
	P	..	0 7 3 (128)	..	0 8 8 (47)	..	..

*T = Time, and P = Piece.

TABLE No. 12—*contd.*

Centre.	*T or P.	Grey Winders.		Colour Winders.		Pirn Winders.	
		Men.	Women.	Men.	Women.	Men.	Women.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Surat ..	T	..	0 7 4 (5)	..	..	0 5 2 (1)	0 7 0 (7)
	P	..	0 6 4 (103)	0 11 5 (8)	0 5 1 (58)	..	..
Jalgaon ..	T	..	..	..	..	0 9 3 (7)	..
	P	..	0 7 3 (137)	..	0 8 10 (38)	..	0 9 10 (22)
Amalner ..	P	..	0 6 4 (131)	..	0 5 11 (102)	..	0 5 10 (90)
Chalisgaon ..	P	..	0 5 4 (70)	..	0 8 0 (26)	0 15 0 (13)	..
Dhulia ..	P	..	0 4 5 (133)	..	0 6 3 (168)	..	0 5 5 (157)
Poona ..	T	..	..	..	..	0 8 0 (2)	..
	P	..	0 7 0 (47)	..	0 6 5 (43)	..	..
Barsi ..	P	..	0 8 5 (55)	..	0 7 0 (12)	..	..
Tikekarwadi .	P	0 7 11 (1)	..	0 5 7 (16)	..	0 6 6 (3)	..
Gokak ..	P	..	0 7 2 (49)	..	..	..	..
Hubli ..	P	..	0 5 1 (56)	..	0 4 8 (29)	..	0 4 8 (9)
Gadag ..	P	..	0 3 11 (10)	..	..	..	..
Whole Province : July 1937 .	T	0 15 7 (27)	0 7 9 (70)	0 11 3 (7)	0 9 3 (14)	0 10 11 (202)	0 8 0 (147)
	P	0 10 0 (710)	0 8 9 (13,675)	0 11 4 (455)	0 11 0 (6,708)	0 10 11 (546)	0 10 8 (3,408)
	All	0 10 2 (737)	0 8 9 (13,745)	0 11 4 (462)	0 11 0 (6,722)	0 10 11 (748)	0 10 6 (3,555)
Men and Women on both T and P.		0 8 10 (14,482)		0 11 0 (7,184)		0 10 7 (4,303)	
1934 ..	T	1 0 6 (65)	0 7 10 (123)	0 11 1 (7)	0 11 5 (30)	0 11 3 (194)	0 10 11 (68)
	P	0 12 4 (2,208)	0 9 5 (11,440)	0 13 9 (867)	0 12 0 (5,234)	0 12 9 (1,039)	0 11 2 (2,944)
	All	0 12 6 (2,273)	0 9 4 (11,563)	0 13 9 (874)	0 12 0 (5,264)	0 12 6 (1,233)	0 11 2 (3,012)
Men and Women on both T and P.		0 9 9 (13,836)		0 12 2 (6,138)		0 11 6 (4,245)	

*T = Time, and P = Piece.

It is noteworthy that, as in 1934, there were no pirn or universal winders returned from mills in Ahmedabad on piece rates, except for five men whose average daily earnings amounted to thirteen annas. We do not think it of value to compare the averages as between 1934 and 1937 owing to the fact that the volume of employment in this department is seldom, if ever, constant.

WARPING DEPARTMENT.

There are two main occupations in this department—those of warpers and warping creelers. The rates of wages paid to creelers are very similar to those of doffers in the frame and ring spinning departments. This department is entirely staffed by men and no women are employed. Warpers are paid predominantly on production and creelers on time rates. Inquiries conducted by the Labour Office into wages prior to 1937 made no distinction between warpers working on high speed machines and those working on ordinary speed machines. For the purposes of the 1937 inquiry, however, a distinction was made between these two groups. An examination of the data collected showed that the differentiation was not sufficiently clear to merit a division of this occupation into the two groups indicated. The separate figures collected for high speed warpers are, however, not without value. For example, the detailed tables furnished to the Committee show that the average daily earnings of 95 warpers working on high speed machines in mills in Ahmedabad which worked without relay amounted to Rs. 2-4-3 as against an average daily earning of Rs. 1-14-2 for 689 warpers working on machines operating at ordinary speeds. Seven high speed warpers working in mills in Ahmedabad with the relay system earned an average of Rs. 3-3-0 per day. The figures for Bombay, on the other hand, show that whereas the average daily earnings of 932 ordinary speed warpers amounted to Rs. 1-11-4 per day, those of 43 high speed warpers amounted only to Rs. 1-10-2. The following table sets out the average daily earnings of all warpers and warping creelers according to whether they were paid on time or piece rates:

TABLE No. 13.

Average Daily Earnings in the Warping Department in July 1937.

Centre.	Warpers.		Warping Creelers.	
	Time.	Piece.	Time.	Piece.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	1 6 8 (11)	1 11 3 (975)	0 11 1 (497)	0 11 5 (9)

TABLE No. 13—*contd.*

Centre.	Warpers.		Warping Creelers.	
	Time.	Piece.	Time.	Piece.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Ahmedabad :				
Without Relay	2 0 3 (14)	1 14 11 (784)	0 9 7 (115)	0 6 7 (4)
With Relay	....	3 3 0 (7)	....	....
All Mills	2 0 3 (14)	1 15 1 (791)	0 9 7 (115)	0 6 7 (4)
Sholapur	0 13 6 (1)	1 9 6 (94)	0 9 5 (52)	....
Kurla	....	1 8 10 (49)	0 11 0 (29)	....
Viramgam	....	1 7 11 (25)	0 9 3 (1)	....
Nadiad	....	2 2 2 (21)	....	....
Broach	....	1 8 4 (25)	0 9 8 (2)	....
Surat	....	1 7 2 (27)	....	....
Jalgaon	....	1 9 8 (15)	0 8 11 (9)	....
Amalner	1 1 7 (2)	1 6 0 (18)	0 8 9 (20)	....
Chalisgaon	....	1 3 5 (12)	0 8 4 (4)	....
Dhulia	0 9 1 (2)	1 7 4 (17)	0 7 8 (10)	....
Poona	1 0 0 (3)	1 0 1 (8)	0 6 0 (3)	....
Barsi	....	1 1 9 (6)	0 6 4 (3)	....
Tikekarwadi	....	1 10 5 (2)	....	....
Hubli	....	0 10 10 (15)	....	....
Gadag	....	1 0 2 (3)	....	....
Whole Province :				
July 1937	1 8 9 (33)	1 12 2 (2,103)	0 10 6 (745)	0 9 11 (13)
	1 12 2 (2,136)		0 10 6 (758)	
1934	1 3 5 (57)	1 15 0 (2,146)	0 10 7 (620)	0 13 10 (29)
	1 14 8 (2,203)		0 10 8 (649)	

There was practically no difference in the earnings of piece-rated warpers in Bombay as between 1934 and 1937, but in Ahmedabad the earnings fell from Rs. 2-5-4 per day in 1934 to Rs. 1-15-1 in 1937.

SIZING DEPARTMENT.

As in the warping and drawing-in departments, no women are employed in the sizing department in any mill in the Province. With the exception of a few mills in Bombay, two mills in Kurla and one mill each in Jalgaon and Dhulia which pay front and back sizers on production, all other mills in the Province pay workers in this department on time rates. The three principal occupations in this department are those of front sizers, back sizers and sizing mixers. With the exception of a few centres, the rates of wages of back sizers are about half of those paid to front sizers. The average daily earnings in the three specified occupations in this department are set out in the following table:

TABLE No. 14.

Average Daily Earnings in the Sizing Department in July 1937.

Centre.	Front Sizers.		Back Sizers.		Sizing Mixers.
	Time.	Piece.	Time.	Piece.	Time.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	2 11 2 (327)	2 10 8 (121)	1 5 8 (318)	1 5 11 (120)	1 0 2 (185)
Ahmedabad :					
Without Relay ..	1 12 9 (361)	..	0 14 8 (370)	..	0 13 10 (151)
With Relay	1 13 9 (20)	..	0 14 10 (20)	..	0 13 0 (5)
All Mills	1 12 10 (381)	..	0 14 8 (390)	..	0 13 10 (156)
Sholapur	1 9 5 (52)	..	0 14 4 (53)	..	0 9 9 (34)
Kurla	..	2 6 3 (17)	..	1 3 8 (19)	1 0 4 (4)
Viramgam	1 10 9 (9)	..	0 12 10 (11)	..	0 10 7 (6)
Nadiad	2 0 4 (10)	..	0 14 9 (10)	..	0 11 9 (5)
Broach	1 8 2 (11)	..	0 13 10 (12)	..	0 12 4 (7)
Surat	1 9 1 (5)	..	0 12 4 (6)	..	0 10 11 (4)
Jalgaon	1 6 1 (4)	1 10 0 (3)	0 10 9 (4)	1 7 0 (3)	0 11 8 (4)
Amalner	1 8 6 (10)	..	1 1 3 (10)	..	0 14 4 (8)
Chalisgaon	1 5 8 (6)	..	0 11 6 (6)	..	0 9 3 (5)
Dhulia	..	1 5 11 (8)	..	0 11 0 (8)	0 10 7 (4)
Poona	1 14 0 (4)	..	0 14 0 (4)	..	0 10 0 (3)
Barsi	1 7 1 (3)	..	0 10 6 (3)	..	0 9 7 (3)
Hubli	0 13 0 (5)	..	0 9 0 (7)	..	..
Gadag	..	..	0 7 0 (1)	..	..

TABLE No. 14—*contd.*

Centre.	Front Sizers.		Back Sizers.		Sizing Mixers.
	Time.	Piece.	Time.	Piece.	Time.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Whole Province : July 1937	2 2 0 (827)	2 8 9 (149)	1 1 2 (835)	1 5 1 (150)	0 14 3 (428)
	2 3 0 (976)		1 1 9 (985)		
1934	2 2 2 (860)	2 8 10 (187)	1 1 6 (873)	1 5 1 (171)	0 14 10 (519)
	2 3 5 (1,047)		1 2 1 (1,044)		

It is of interest to note that in this department the average earnings in Bombay are considerably higher than those even in Ahmedabad. As compared with 1934, the average daily earnings of front sizers dropped from Rs. 1-14-6 to Rs. 1-12-10, those of back sizers from fifteen annas and seven pies per day to fourteen annas and eight pies per day and of sizing mixers from fifteen annas and eleven pies to thirteen annas and ten pies in Ahmedabad. The levels of earings remained approximately the same in Bombay.

DRAWING-IN DEPARTMENT.

The two principal occupations in this department are those of drawers-in and reachers. No women are employed in this department. Except for four drawers-in in one mill in Bombay who were paid on time rates, persons in this occupation are paid on production in all other mills. The results contained in the General Wage Census report on the textile industries show 142 men as having been paid on time rates and 252 as having been paid on piece rates in Ahmedabad. During the 1937 inquiry all drawers-in in Ahmedabad were paid on the basis of production. The following table sets out the average daily earnings in these two occupations in July 1937 according to whether the workers concerned were paid on time or piece rates :

TABLE No. 15.

Average Daily Earnings in the Drawing-in Department in July 1937.

Centre.	Drawers-in.		Reachers.	
	Time.	Piece.	Time.	Piece.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	1 5 3 (4)	1 10 0 (884)	0 12 6 (8)	0 13 5 (884)
Ahmedabad	....	1 11 11 (157)	0 9 10 (352)	....
Sholapur	....	1 4 0 (93)	....	0 9 1 (93)
Kurla	....	1 5 1 (51)	....	0 10 5 (43)

TABLE No. 15—*contd.*

Centre.	Drawers-in.		Reachers.	
	Time.	Piece.	Time.	Piece.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Nadiad	....	1 12 0 (18)	0 6 11 (18)	....
Broach	....	0 13 2 (19)	0 7 6 (7)	0 6 4 (8)
Surat	....	1 7 0 (4)	0 7 2 (13)	....
Jalgaon	....	0 15 2 (15)	....	0 13 2 (15)
Amalner	....	0 14 2 (18)	....	0 9 6 (18)
Chalisgaon	....	0 12 9 (10)	....	0 10 2 (10)
Dhulia	....	0 15 0 (12)	....	0 7 7 (12)
Poona	....	1 0 2 (9)	....	0 7 7 (9)
Barsi	....	0 7 11 (5)	0 4 11 (5)	....
Hubli	....	0 12 10 (12)	0 5 0 (12)	....
Gadag	....	1 3 0 (1)	0 8 0 (1)	....
Whole Province :				
July 1937	1 5 3 (4)	1 8 8 (1,308)	0 9 5 (416)	0 12 8 (1,092)
	1 8 8 (1,312)		0 11 9 (1,508)	
1934	0 11 7 (198)	1 10 7 (1,395)	0 10 1 (342)	0 13 7 (1,086)
	1 8 7 (1,593)		0 12 9 (1,428)	

Earnings in these two occupations were about the same in 1934 and 1937 in Bombay, but the average daily earnings of drawers-in fell from Rs. 2-2-9 to Rs. 1-11-11 and those of reachers from ten annas and eight pies to nine annas and ten pies in Ahmedabad and from Rs. 1-4-11 to Rs. 1-4-0 and from ten annas and nine pies to nine annas and one pie respectively in Sholapur. In Ahmedabad, work in this department is never done on the basis of the relay system because no drawer-in can look after two frames at the same time. It is of interest to note here that whereas prior to 1938 a considerable number of mills in Ahmedabad gave out the work in this department on contract, the contract system has now been completely abolished and all drawers-in and reachers are employed directly by the mills—the old contractors having in most cases become *muccadams* or jobbers.

WEAVING DEPARTMENT.

There are two principal occupations in the weaving shed: weavers and beam carriers. The usual allocation of work in weaving is to require a weaver to mind two looms. In certain regions of the Province, especially in Sholapur, in Khandesh and in the Karnatak, there are considerable numbers of one-loom weavers. The allotment of one loom to a weaver does not always imply want of efficiency. Jacquards and blankets are woven on exceptionally wide looms and it would not ordinarily be possible for a weaver engaged on this type of production to look after two looms. There are also cases where a wide loom engaged on chaddars and sheetings or a dobby loom engaged on the manufacture of cloth with intricate designs is allotted to one weaver. Labour Office inquiries make a distinction between one-loom weavers working on ordinary plains and greys, on dobbies and on jacquards and blankets, but no distinction is made in respect of widths of looms. The allotment of three, four or six looms to a weaver comes within the sphere of efficiency measures. As will be seen from Table No. 17, there are a certain number of three-loom and four-loom weavers returned by mills in Ahmedabad, Sholapur and Viramgam. These number in all 182, including 23 "smash hands". Apart from the few cases cited, a weaver is not asked to mind more than two looms in any centre of the industry outside Bombay. Six-loom working has only been adopted in some of the mills under the agency of Messrs. E. D. Sassoon & Co., Ltd., Bombay, but in all such cases the weaving shed is worked on the basis of three shifts of seven hours each per day instead of the normal shifts of nine hours each. "Smash hands" are weavers who are employed generally on the six-loom and sometimes on the four-loom systems to help the regular weavers. The total numbers of weavers employed in rationalized forms of working on day shift in all mills in Bombay were as follows: three-loom weavers, 685; four-loom weavers, 2,825; six-loom weavers, 509; and smash hands, 333. We understand that a number of automatic looms have been recently installed in Bombay; the data furnished to us by the Labour Office for 1937 reveal 25 automatic loom weavers, all from Bombay.

The total number of weavers returned by all mills in the Province working on day shift in July 1937 amounted to 59,438 as against a total of 66,683 returned by all mills for all shifts for the purposes of the

General Wage Census in 1934. The last figure included 7 women weavers, but no women were employed in this department in July 1937. Weavers are paid on production. The following table sets out the average daily earnings of different categories of one-loom weavers, two-loom weavers and beam carriers:

TABLE No. 16.

Average Daily Earnings of One-loom and Two-loom Weavers and Beam Carriers in July 1937. (Piece unless otherwise specified.)

Centre.	One-loom Weavers.			Two-loom weavers.	Beam Carriers. (Time).
	Ordinary Plains and Greys.	Dobbies.	Jacquards and Blankets.		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	0 14 10 (519)	1 2 11 (106)	1 7 4 (342)	T 1 8 7 (2)	
				P 1 5 8 (21,461)	1 0 4 (537)
Ahmedabad:					
Without Relay ..	T 0 12 6 (1)	..	1 4 4 (36)	..	0 15 10 (59)
	P 0 14 11 (24)	..	..	1 9 0 (19,655)	..
With Relay	0 12 0 (1)	..	..	1 9 7 (2,422)	0 12 6 (3)
All Mills	T 0 12 6 (1)	..	1 4 4 (36)	..	0 15 8 (62)
	P 0 14 10 (25)	..	..	1 9 1 (22,077)	..
Sholapur	0 10 10 (1,021)	0 11 5 (76)	..	1 6 0 (2,644)	0 11 6 (55)
Kurla	..	..	..	1 6 3 (1,320)	1 1 9 (26)
Viramgam	0 7 11 (2)	..	..	1 1 8 (548)	..
Nadiad	..	..	..	1 13 0 (430)	1 1 3 (8)
Broach	0 11 6 (31)	..	..	1 5 1 (557)	..
Surat	1 0 4 (6)	..	..	1 5 8 (354)	0 12 6 (10)
Jalgaon	0 10 10 (112)	0 7 8 (46)	..	1 4 2 (332)	0 13 4 (8)

T = Time, and P = Piece.

TABLE No. 16—*contd.*

Centre.	One-loom Weavers.			Two-loom weavers.	Beam Carriers. (Time).
	Ordinary Plains and Greys.	Dobbies.	Jacquards and Blankets.		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Amalner	0 11 9 (394)	0 11 9 (121)	0 13 1 (24)	1 4 2 (254)	0 15 9 (13)
Chalisgaon	0 9 11 (137)	0 10 0 (42)	..	1 2 3 (212)	0 11 1 (5)
Dhulia	0 9 11 (57)	0 10 2 (340)	..	1 4 3 (338)	T 0 12 1 (7) P 0 9 3 (4)
Poona	0 9 2 (1)	..	..	0 15 5 (275)	0 12 0 (4)
Barsi	0 8 5 (34)	..	..	1 0 4 (123)	0 10 9 (3)
Tikekarwadi	..	0 8 8 (37)	..	..	0 5 9 (2)
Hubli	0 9 3 (152)	..	..	1 1 2 (239)	0 12 0 (5)
Gadag	T 0 4 6 (4)	..	..	..	..
	P 0 5 8 (34)	..	..	0 8 10 (13)	..
Whole Province : July 1937	T 0 5 1 (5)			T 1 8 7 (2)	T 0 15 9 (743)
	P 0 11 7 (2,525)	0 11 6 (768)	1 6 5 (402)	P 1 7 1 (51,177)	P 0 8 1 (6)
	All 0 11 7 (2,530)			All 1 7 1 (51,179)	All 0 15 8 (749)
1934	0 14 9 (1,610)	0 12 7 (1,302)	T 2 2 10 (8)	T 1 1 6 (52)	0 15 10 (819)
			P 1 7 0 (492)	P 1 8 2 (57,499)	
			All 1 7 1 (500)	All 1 8 2 (57,551)	

T = Time, and P = Piece.

As compared with 1934, the earnings of two-loom weavers in Bombay fell only by five pies in July 1937 in spite of the reduction of working hours from ten to nine per day owing to the introduction of the 54 hour week imposed by the Factories Act, 1934. It may, however, be mentioned that mills in Bombay decided in 1934 that the dear food allowance paid by individual mills to piece workers should not be less than 40 per cent. after the coming into operation of the new Factories Act. This decision involved the raising of the dear food allowance paid to weavers in most mills from 35 to 40 per cent. In Sholapur, the earnings of two-loom weavers actually improved from Rs. 1-5-4 per day to Rs. 1-6-0 per day as between these two years. A fall, however,

occurred in Ahmedabad where the earnings dropped from Rs. 1-14-8 per day in 1934 to Rs. 1-9-0 per day for mills working without relay, Rs. 1-9-7 for mills working with relay and Rs. 1-9-1 for all mills.

Beam carriers are paid on time rates in all centres of the industry. Only a small number of beam carriers are shown in the above table for Ahmedabad because this work in that centre is largely given on contract. We now proceed to a consideration of the average daily earnings of three-loom, four-loom and six-loom weavers, smash hands and automatic loom weavers, and these are set out in the following table :

TABLE No. 17.

Average Daily Earnings of Weavers minding more looms than the normal in July 1937. (Piece unless otherwise specified.)

Centre.	Three-loom weavers.	Four-loom weavers.	Six-loom weavers.	Smash hands.	Automatic loom weavers.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	1 9 11 (685)	2 0 3 (2,825)	2 1 7 (509)	T 1 3 3 (278) P 2 2 10 (55)	T 2 8 0 (25)
Ahmedabad :					
Without Relay ..	2 2 7 (4)	2 4 7 (129)	..	T 1 4 8 (23)	..
Sholapur	..	3 3 4 (3)	..	..	..
Viramgam	1 11 11 (1)	1 12 2 (22)	..	..	..
Whole Province :					
July 1937	1 10 0 (690)	2 0 5 (2,979)	2 1 7 (509)	T 1 3 4 (301) P 2 2 10 (55) All 1 5 9 (356)	T 2 8 0 (25)
1934	1 8 6 (606)	2 1 2 (3,439)	1 15 4 (1,445)	T 2 2 6 (44) P 2 0 10 (145) All 2 1 3 (189)	T 2 8 11 (34)

T = Time, and P = Piece.

The figures in the above table show that there were 133 three-loom and four-loom weavers and 23 smash hands employed in mills in Ahmedabad, but during the course of our oral examination at that centre we were told that no mills then, i.e., in January 1939, employed four-loom weavers. In Bombay, the average daily earnings of three-loom, four-loom and six-loom weavers amounted to Rs. 1-9-11, Rs. 2-0-3 and Rs. 2-1-7 respectively, which were about 20 per cent., 48·8 per cent., and 55 per cent. respectively more than those of two-loom weavers. It has to be remembered, however, that in the case of six-loom weavers work is on the basis of shifts of seven hours each.

CALENDERING DEPARTMENT.

The only two occupations in this department are those of front calendermen and back calendermen. No women are employed, and payment is on the basis of time rates. The following table sets out the average daily earnings for these two occupations in the different centres of the industry:

TABLE No. 18.

Average Daily Earnings in the Calendering Department in July 1937.

Centre.	Front Calendermen.	Back Calendermen.
	Rs. a. p.	Rs. a. p.
Bombay	0 15 8 (156)	0 14 1 (199)
Ahmedabad:		
Without Relay	0 12 5 (205)	0 12 2 (215)
With Relay	0 12 11 (6)	0 12 10 (7)
All Mills	0 12 5 (211)	0 12 2 (222)
Sholapur	0 9 0 (21)	0 8 9 (21)
Kurla	0 15 4 (15)	0 13 10 (5)
Viramgam	0 11 1 (7)	0 11 2 (6)
Nadiad	0 12 5 (4)	0 10 6 (5)
Broach	0 13 0 (2)	0 10 5 (2)
Surat	0 8 0 (2)	....
Jalgaon	0 10 1 (6)	0 9 6 (6)
Amalner	0 9 7 (4)	0 9 10 (4)
Chalisgaon	0 9 3 (2)	0 8 7 (2)
Poona	....	0 12 0 (1)
Barsi	0 8 2 (3)	....
Hubli	0 7 6 (4)	0 7 6 (2)
Gadag	0 6 0 (1)	0 6 0 (1)
Whole Province: July 1937	0 13 4 (438)	0 12 8 (476)
1934	0 14 4 (624)	0 13 1 (622)

In most centres, front calendermen earned slightly higher rates of wages than back calendermen, although in some centres the earnings of both these two groups were exactly the same, and in others the earnings of back calendermen were slightly higher than those of front calendermen.

BLEACHING, DYEING AND PRINTING DEPARTMENTS.

As pointed out in the introductory section to this chapter, most of the occupations in this department were omitted from the scope of the 1937 inquiry. Such data as have been collected are not of a strictly comparable character, and we do not, therefore, endeavour to examine these data in the same manner as has been done in the case of other departments in the industry.

FOLDING DEPARTMENT.

The principal occupations are those of cutlookers or cloth examiners, folders and pieces stitchers. Except for 14 women employed as folders in mills in Sholapur with an average daily earning of seven annas and two pies and 19 women employed in mills in Kurla with an average daily earning of seven annas and six pies in July 1937, no women are employed in this department in any other centre of the industry. One mill in Bombay pays its folders on production and a few mills in Ahmedabad do likewise. Apart from this, payment of wages in this department in all centres of the industry is on time rates. As in the drawing-in department, work in this department is not possible on the basis of relays because one worker cannot look after the work of two persons. The following table sets out the average daily earnings in the three occupations specified for men workers only:

TABLE No. 19.

Average Daily Earnings in the Folding Department in July 1937—Men.

Centre.	Time or Piece.	Cutlookers.	Folders.	Pieces stitchers.
		Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	Time ..	1 2 8 (645)	0 13 10 (1,481)	0 12 6 (224)
	Piece ..	....	1 11 8 (4)	....
Ahmedabad	Time ..	0 15 1 (7)	1 2 1 (628)	0 12 3 (58)
	Piece ..	....	1 8 1 (88)	....
Sholapur	Time ..	0 10 0 (16)	0 9 6 (209)	0 9 5 (6)
Kurla	Do. ..	0 14 7 (46)	0 12 8 (101)	....
Viramgam	Do. ..	....	....	0 9 6 (9)
Nadiad	Do. ..	1 7 1 (2)	0 12 8 (47)	....

TABLE No. 19—*contd.*

Centre.	Time or Piece.	Cutlookers.	Folders.	Pieces stitchers.
		Rs. a. p.	Rs. a. p.	Rs. a. p.
Broach	Time ..	....	0 10 4 (26)	0 11 6 (2)
Surat	Do.	....	1 0 1 (20)	0 12 7 (9)
Jalgaon	Do. ..	0 12 3 (4)	0 9 6 (14)	0 9 2 (6)
Amalner	Do. ..	0 11 10 (6)	0 9 5 (24)	0 10 0 (4)
Chalisgaon	Do. ..	0 13 10 (2)	0 10 11 (9)	0 9 3 (2)
Dhulia	Do. ..	0 12 0 (7)	0 10 0 (21)	0 7 7 (4)
Poona	Do. ..	0 12 3 (4)	0 10 8 (12)	0 8 0 (1)
Barsi	Do. ..	....	0 7 8 (7)	....
Tikekarwadi	Do. ..	....	0 8 7 (2)	....
Hubli	Do. ..	0 8 0 (11)	0 7 3 (14)	0 7 0 (3)
Gadag	Do. ..	0 7 5 (1)	....	0 5 0 (1)
Whole Province :				
July 1937	Time ..	1 1 10 (751)	0 14 3 (2,615)	0 12 1 (329)
	Piece ..	....	1 8 3 (92)	....
	All ..	1 1 10 (751)	0 14 7 (2,707)	0 12 1 (329)
1934	Time ..	1 2 9 (651)	0 14 0 (2,834)	0 12 0 (443)
	Piece ..	1 12 11 (16)	1 10 4 (123)	1 2 8 (11)
	All ..	1 3 0 (667)	0 14 6 (2,957)	0 12 2 (454)

It will be noticed that as compared with 645 cutlookers returned by mills working on day shift in Bombay, only 7 cutlookers were returned by mills in Ahmedabad. The reason for this is that work in this occupation is one of the important processes in the industry which is almost entirely given on contract in mills in Ahmedabad.

JOBBERS.

Almost every department in a cotton textile mill has a number of jobbers. In most departments one or more head jobbers are appointed to supervise the work of the jobbers. In the weaving department a distinction is made between line jobbers and fancy jobbers. The former are in charge of "lines" of 36, 40 or 44 looms and their duties are to help the weaver whenever there is a breakdown, generally to guide and supervise his work, to see that a loom is quickly and properly cleaned up after a beam is finished and to help the weaver in gaiting a new beam. Line jobbers are expected to have a good general knowledge of the working of looms. They are almost invariably paid on the production of the weavers they are in charge of. Payment is made either in terms of a percentage of the total earnings or on the total production of the weavers concerned. The functions of fancy jobbers are somewhat different. These supervise the work of weavers engaged in operating high shaft dobby looms. Their main duty is to see that all the ends are in proper order and that a design is woven properly. If any of the shafts or arms are loose, they are required to attend to them. Fancy jobbers are allotted twenty to twenty-five dobby looms and they are almost invariably paid on time rates. Women jobbers in the winding and the reeling departments are called women supervisors. The 1934 General Wage Census and the 1937 inquiry conducted by the Labour Office into wages in cotton mills divide all head jobbers and jobbers into two main groups: (1) spinning side, that is, from the mixing to the reeling department; and (2) weaving side, that is, from the winding to the finishing department. Fancy jobbers and women supervisors are classified separately. The following two tables set out the average daily earnings of head jobbers and jobbers on the spinning and the weaving sides and of fancy jobbers and women supervisors in the various centres of the cotton textile industry in this Province:

TABLE No. 20.

Average Daily Earnings of Head Jobbers in July 1937.

Centre.	Head Jobbers.			
	Spinning Side.		Weaving Side.	
	Time.	Piece.	Time.	Piece.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	3 13 1 (228)	4 13 10 (29)	4 8 5 (50)	5 10 11 (104)
Ahmedabad	2 8 8 (216)	....	4 15 5 (79)	6 9 5 (1)

TABLE No. 20—*contd.*

Centre.	Head Jobbers.			
	Spinning Side.		Weaving Side.	
	Time.	Piece.	Time.	Piece.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Sholapur	1 15 3 (18)	3 6 4 (12)	2 3 5 (7)	5 0 8 (10)
Kurla	3 14 4 (6)	....	3 10 2 (8)	....
Viramgam	2 8 7 (3)	....	4 10 1 (2)	....
Nadiad	3 13 2 (2)	....	....	....
Broach	....	....	5 0 0 (2)	....
Surat	2 0 4 (4)	....	2 15 1 (3)	....
Jalgaon	2 1 3 (2)	5 0 2 (2)	....	5 8 3 (2)
Amalner	2 6 3 (5)	....	3 6 5 (1)	5 7 8 (1)
Chalisgaon	1 11 8 (2)	....	3 13 6 (1)	....
Dhulia	....	3 3 4 (3)	....	3 14 10 (3)
Poona	1 11 0 (2)	....	....	....
Barsi	1 9 2 (10)	2 2 1 (2)	....	....
Hubli	2 8 4 (2)	....	....	....
Gadag	2 1 3 (2)	1 3 8 (3)	....	....
Whole Province : July 1937	3 1 5 (502)	4 1 8 (51)	4 9 0 (153)	5 9 5 (121)
1934	3 4 9 (495)	4 7 8 (64)	4 14 0 (227)	5 8 2 (135)

TABLE No. 21.

Average Daily Earnings of Jobbers, Fancy Jobbers and Women Supervisors in July 1937.

Centre.	Jobbers.				Fancy Jobbers.		Women Supervisors.
	Spinning Side.		Weaving Side.				
	Time.	Piece.	Time.	Piece.	Time.	Piece.	Time.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay ..	1 13 11 (1,199)	2 2 9 (201)	2 1 4 (436)	3 6 8 (1,313)	2 10 4 (129)	4 2 1 (14)	1 4 6 (117)
Ahmedabad ..	1 6 0 (565)	..	1 8 9 (370)	3 7 3 (906)	1 9 2 (425)	..	0 12 5 (7)
Sholapur ..	1 1 9 (52)	1 9 10 (76)	1 5 7 (66)	2 5 0 (228)	1 14 7 (9)	2 2 4 (8)	0 11 2 (32)
Kurla ..	1 8 2 (43)	2 11 3 (6)	1 13 7 (4)	4 2 3 (14)	2 1 10 (7)	..	1 3 0 (4)
Viramgam ..	1 1 10 (25)	..	1 8 2 (12)	2 11 2 (25)	1 11 5 (5)	..	..
Nadiad ..	1 4 11 (17)	..	1 9 4 (13)	3 4 5 (24)	3 9 8 (1)	..	..
Broach ..	1 9 3 (9)	..	1 8 2 (10)	3 5 5 (24)	1 10 4 (8)	..	0 9 2 (3)
Surat ..	0 15 9 (7)	..	1 14 2 (16)	2 15 8 (9)	1 3 9 (7)	..	0 8 3 (3)
Jalgaon ..	1 1 3 (13)	1 13 9 (15)	1 2 6 (6)	2 6 4 (26)	1 2 3 (5)	..	0 12 10 (3)
Amalner ..	1 3 4 (33)	..	1 2 4 (28)	2 9 0 (33)	1 0 8 (20)	..	0 14 5 (3)
Chalisgaon ..	1 6 10 (10)	..	1 4 4 (4)	2 6 11 (14)	1 2 6 (3)	..	..
Dhulia ..	..	1 6 4 (28)	1 11 0 (12)	2 8 0 (27)	1 1 2 (7)	..	0 15 7 (3)
Poona ..	1 5 4 (8)	..	1 7 6 (4)	1 12 7 (14)	1 8 0 (2)	..	0 7 6 (2)
Barsi ..	0 14 6 (13)	1 3 1 (3)	1 0 4 (9)	1 7 7 (10)	1 5 6 (1)	..	0 8 7 (11)
Tikekarwadi ..	..	..	1 8 7 (3)	..	1 5 6 (1)	..	..
Gokak ..	1 0 7 (13)	2 1 0 (5)	..	..	..	..	0 13 0 (11)
Hubli ..	1 1 11 (11)	..	0 12 8 (7)	2 11 0 (14)	..	..	0 8 4 (6)
Gadag ..	0 10 10 (3)	0 10 11 (1)	1 0 0 (5)	..	..	..	0 7 0 (6)
Whole Province: July 1937 ..	1 10 4 (2,021)	1 15 5 (335)	1 11 11 (1,005)	3 4 5 (2,681)	1 12 5 (630)	3 6 6 (22)	1 0 4 (211)
1934 ..	1 10 10 (2,574)	2 1 9 (483)	1 15 1 (991)	3 10 7 (3,144)	1 14 4 (519)	2 15 8 (21)	1 1 9 (239)

We shall now proceed to an examination of wages in some of the more important occupations in the maintenance and mechanics departments.

POWER PLANTS.

Over fifty per cent. of the mills in Bombay and a fair percentage of the mills in Ahmedabad and in all other centres of the Province are electrically driven. The majority of the mills, however, still continue to use steam either for power or for other purposes. In the following two tables we set out the figures of average daily earnings in the main occupations in engine and boiler rooms and for oilmen in all departments and for the more important of the electrical occupations. It may be pointed out that for the purposes of the 1934 General Wage Census and the July 1937 inquiry all workmen of a type such as oilers and certain other categories of workers such as carpenters, fitters, cobblers, coolies, etc., were grouped together irrespective of the departments in which they worked. No women are employed in any of the occupations connected with power plants except as coolies for carrying work and as packers. Payment of wages in all occupations in the maintenance and mechanics departments is on time rates except for some oilmen in a few mills in Bombay, Sholapur, Kurla, Barsi, Gokak and Gadag who are paid on piece rates.

TABLE No. 22.

Average Daily Earnings in Engine and Boiler Rooms and of Oilmen in July 1937. (Time unless otherwise specified.)

Centre.	Steam Engine Drivers.	Boiler Attendants.		Firemen.	Oilmen.
		1st Class.	2nd Class.		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	2 11 3 (10)	2 7 8 (46)	1 14 8 (26)	1 3 9 (147)	1 0 3 (1,148) P 1 1 10 (5)
Ahmedabad:					
Without Relay ..	1 7 4 (62)	2 5 6 (55)	1 12 11 (18)	1 4 6 (233)	1 1 2 (928)
With Relay	1 7 7 (8)	2 4 1 (3)	..	1 5 7 (39)	1 2 2 (230)
All Mills	1 7 4 (70)	2 5 5 (58)	1 12 11 (18)	1 4 8 (272)	1 1 4 (1,158)
Sholapur	1 0 8 (9)	1 11 10 (11)	1 6 11 (5)	0 14 1 (58)	0 10 5 (196) P 0 13 9 (17)
Kurla	..	2 13 0 (4)	1 8 11 (2)	1 1 6 (7)	1 0 1 (51) P 1 6 8 (5)
Viramgam	1 4 5 (1)	2 12 6 (2)	..	1 0 2 (9)	0 13 4 (38)

P = Piece.

TABLE No. 22—*contd.*

Centre.	Steam Engine Drivers.	Boiler Attendants.		Firemen.	Oilmen.
		1st Class.	2nd Class.		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Nadiad	1 9 5 (2)	3 1 3 (1)	..	1 0 3 (8)	0 15 5 (36)
Broach	0 13 2 (4)	2 14 2 (1)	..	0 15 6 (4)	0 13 4 (23)
Surat	1 1 3 (1)	2 1 10 (1)	1 3 1 (1)	0 13 8 (6)	0 12 1 (25)
Jalgaon	1 6 2 (4)	1 8 7 (1)	1 4 0 (1)	1 2 2 (9)	0 11 3 (28)
Amalner	0 12 5 (2)	..	2 0 0 (1)	0 15 5 (13)	0 11 9 (34)
Chalisgaon	1 0 11 (2)	..	..	2 4 11 (1)	0 11 5 (16)
Dhulia	1 7 10 (2)	..	2 6 6 (2)	1 1 5 (11)	0 11 6 (44)
Poona	..	1 5 6 (1)	..	1 1 6 (4)	0 12 0 (8)
Barsi	1 3 5 (3)	..	1 7 1 (2)	1 1 3 (8)	0 6 1 (23)
					P 0 11 5 (2)
Gokak	..	..	..	..	0 10 2 (18)
					P 1 1 8 (7)
Hubli	..	..	..	0 13 4 (13)	0 9 9 (27)
Gadag	0 12 4 (1)	3 7 5 (1)	..	0 12 11 (2)	0 8 2 (8)
					P 0 8 9 (2)
Whole Province: July 1937	1 7 8 (111)	2 5 10 (127)	1 12 11 (58)	1 3 0 (572)	0 15 9 (2,881)
					P 0 15 10 (38)
					All 0 15 9 (2,919)
1934	1 10 1 (181)	2 9 7 (137)	2 0 0 (90)	1 3 10 (745)	1 0 5 (3,591)
					P 1 0 10 (63)
					All 1 0 5 (3,654)

P = Piece.

Boiler attendants are divided into two classes, viz., first class and second class according to the certificates they hold.

TABLE No. 23.

Average Daily Earnings in certain Electrical Occupations in July 1937.

Centre.	Switch Board Attendants.	Electric Motor men.	Wiremen.	
			Superior.	Ordinary.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	2 2 9 (13)	1 4 6 (273)	2 6 1 (31)	1 8 0 (31)
Ahmedabad:				
Without Relay ..	1 5 3 (12)	1 4 8 (7)	2 5 4 (12)	1 6 0 (90)
With Relay	....	....	....	1 9 5 (4)
All Mills	1 5 3 (12)	1 4 8 (7)	2 5 4 (12)	1 6 2 (94)
Sholapur	0 15 7 (9)	0 11 10 (17)	....	1 0 7 (12)
Kurla	1 12 7 (2)	1 0 0 (10)	2 4 3 (1)	1 4 0 (1)
Viramgam	....	....	....	1 1 4 (2)
Nadiad	....	....	4 0 7 (1)	1 2 4 (4)
Broach	....	1 7 3 (1)	....	....
Surat	....	0 11 0 (2)	....	1 7 2 (2)
Amalner	....	....	....	1 5 6 (3)
Chalisgaon	....	....	....	0 12 4 (1)
Dhulia	....	....	....	1 6 7 (2)
Barsi	....	....	....	1 0 5 (3)
Gokak	....	0 9 9 (8)	....	1 3 7 (4)
Hubli	....	....	....	1 2 5 (3)
Whole Province: July 1937	1 9 2 (36)	1 3 7 (318)	2 6 5 (45)	1 5 8 (162)
1934	2 2 8 (120)	1 0 9 (404)	2 7 0 (74)	1 7 0 (126)

FITTERS AND MACHINISTS.

The following table sets out the average daily earnings of the different grades into which fitters and machinists were grouped for the purposes of the July 1937 inquiry:

TABLE No. 24.

Average Daily Earnings of Fitters and Machinists in July 1937.

Centre.	Fitters.			Machinists.	
	Special.	Superior.	Ordinary.	Superior.	Ordinary.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	4 10 8 (7)	2 10 4 (521)	1 10 0 (412)	2 8 4 (141)	1 12 1 (105)
Ahmedabad	4 15 9 (6)	2 6 3 (238)	1 9 3 (442)	2 3 11 (57)	1 9 2 (128)
Sholapur	..	2 12 0 (7)	1 4 0 (104)	..	1 4 0 (33)
Kurla	4 0 0 (1)	2 11 1 (15)	1 8 7 (29)	2 5 11 (5)	1 7 1 (14)
Viramgam	..	2 8 7 (2)	1 5 8 (13)	..	1 5 4 (5)
Nadiad	..	2 8 3 (4)	1 3 5 (10)	..	1 8 10 (4)
Broach	..	2 6 9 (1)	1 1 6 (10)	..	1 2 6 (2)
Surat	..	..	1 5 0 (10)	..	1 7 6 (4)
Jalgaon	..	..	1 2 1 (13)	2 1 11 (1)	1 7 11 (3)
Amalner	..	..	1 3 8 (13)	2 10 5 (1)	1 4 2 (6)
Chalisgaon	..	..	1 0 4 (8)	..	..
Dhulia	..	3 3 4 (1)	1 2 6 (13)	2 2 0 (1)	1 3 2 (5)
Poona	..	..	1 5 2 (5)	..	1 8 0 (2)
Barsi	..	..	0 12 8 (13)	..	0 15 3 (5)
Gokak	..	..	1 1 6 (17)	..	0 14 0 (5)

TABLE No. 24—*contd.*

Centre.	Fitters.			Machinists.	
	Special.	Superior.	Ordinary.	Superior.	Ordinary.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Hubli	..	..	0 12 4 (23)	..	0 15 5 (4)
Gadag	..	..	0 13 6 (7)	..	1 0 7 (4)
Whole Province:					
July 1937	4 12 1 (14)	2 9 2 (789)	1 7 11 (1,142)	2 7 0 (206)	1 8 8 (329)
		1 15 3 (1,945)		1 14 2 (535)	
				Special.	Superior. Ordinary.
1934	4 13 2 (22)	2 8 4 (860)	1 7 2 (905)	4 8 2 (1)	2 6 10 (281) 1 7 6 (291)
		2 0 4 (1,787)			1 15 2 (573)

MISCELLANEOUS OCCUPATIONS.

Almost all cotton mills in the Province employ their own carpenters and masons; another important subsidiary occupation is that of cobblers. The following table sets out the average daily earnings in these three occupations :

TABLE No. 25.

Average Daily Earnings of Carpenters, Masons and Cobblers in July 1937.

Centre.	Carpenters.		Masons.	Cobblers.
	Superior.	Ordinary.		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	2 5 6 (152)	1 10 0 (301)	1 12 0 (113)	0 15 6 (257)
Ahmedabad :				
Without Relay	2 4 7 (151)	1 10 2 (152)	1 12 3 (60)	1 5 10 (155)
With Relay	2 4 0 (3)	1 14 3 (3)	....	1 7 1 (22)
All Mills	2 4 7 (154)	1 10 3 (155)	1 12 3 (60)	1 6 0 (177)

TABLE No. 25—*contd.*

Centre.	Carpenters.		Masons.	Cobblers.
	Superior.	Ordinary.		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Sholapur	....	1 2 8 (57)	1 2 7 (23)	0 10 10 (42)
Kurla	2 4 1 (3)	1 8 7 (19)	1 8 0 (2)	0 15 0 (11)
Viramgam	2 1 7 (1)	1 4 11 (6)	1 7 7 (2)	1 2 3 (6)
Nadiad	2 12 5 (2)	1 10 4 (6)	2 2 7 (1)	1 7 1 (4)
Broach	2 8 0 (1)	1 2 7 (5)	....	0 13 10 (6)
Surat	2 8 7 (2)	1 8 10 (4)	1 11 8 (1)	1 2 9 (3)
Jalgaon	..	1 7 7 (6)	1 10 10 (2)	0 13 9 (6)
Amalner	2 1 7 (1)	1 4 10 (5)	0 14 5 (1)	0 12 1 (7)
Chalisgaon	....	0 15 0 (3)	....	0 8 4 (4)
Dhulia	....	1 2 7 (6)	0 15 1 (1)	0 11 9 (5)
Poona	....	1 2 6 (4)	1 0 0 (1)	0 12 0 (2)
Barsi	....	1 2 3 (5)	....	0 11 0 (4)
Tikekarwadi	....	0 15 5 (1)	....	....
Gokak	....	1 0 8 (4)	1 3 0 (2)	0 13 6 (1)
Hubli	....	0 13 9 (19)	0 15 8 (4)	1 1 1 (5)
Gadag	....	0 15 8 (2)	0 9 10 (2)	0 10 0 (1)
Whole Province : July 1937	2 5 1 (316)	1 8 5 (608)	1 10 4 (215)	1 1 2 (541)
1934	2 5 5 (435)	1 8 2 (571)	1 12 7 (269)	1 1 10 (634)

UNSKILLED OCCUPATIONS.

All unskilled operatives such as workers in the mixing and waste departments of cotton textile mills, persons who are not asked to attend to machines and labourers such as coal coolies, patiwalas, toplawalas, basket coolies, etc., have been grouped together for the purposes of the Labour Office inquiries under the one general heading of "coolies". Another important unskilled operation is that of departmental sweepers and *bhangis* who have been grouped together under the general heading of "sweepers". The following table sets out the average daily earnings in these two occupations separately for men and women:

TABLE No. 26.

Average Daily Earnings of Coolies and Sweepers in July 1937.

Centre.	Coolies.		Sweepers.	
	Men.	Women.	Men.	Women.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	0 12 9 (4,590)	0 9 0 (181)	0 11 2 (483)	0 8 6 (1,248)
Ahmedabad :				
Without Relay	0 10 10 (1,656)	0 8 2 (640)	0 10 1 (427)	0 9 3 (319)
With Relay	0 12 9 (67)	....	0 10 2 (52)	0 9 11 (69)
All Mills .. .	0 10 11 (1,723)	0 8 2 (640)	0 10 1 (479)	0 9 4 (388)
Sholapur	0 8 11 (689)	0 4 11 (164)	0 9 4 (32)	0 4 11 (252)
Kurla	0 13 3 (145)	0 7 8 (53)	0 11 6 (7)	0 8 0 (57)
Viramgam	0 9 1 (21)	0 6 10 (16)	0 8 11 (6)	0 6 6 (17)
Nadiad	0 11 0 (44)	0 7 6 (17)	0 9 2 (21)	0 7 9 (6)
Broach	0 8 3 (64)	0 8 6 (3)	0 8 5 (11)	0 6 4 (14)
Surat	0 8 3 (17)	0 6 9 (24)	0 8 10 (12)	0 6 1 (8)
Jalgaon	0 8 5 (78)	0 4 7 (1)	0 7 8 (27)	....
Amalner	0 10 5 (93)	....	0 8 10 (15)	0 6 7 (3)
Chalisgaon	0 7 3 (33)	....	0 6 9 (13)	....
Dhulia	0 9 7 (55)	....	0 7 8 (16)	0 5 8 (4)
Poona	0 8 11 (23)	....	0 8 0 (5)	0 5 0 (6)
Barsi	0 7 0 (53)	0 5 3 (4)	0 6 2 (4)	0 3 11 (22)
Tikekarwadi	0 6 2 (2)	....	0 6 2 (1)	....
Gokak	0 7 2 (49)	0 4 6 (17)	0 7 7 (26)	0 8 0 (3)

TABLE No. 26—*contd.*

Centre.	Coolies.		Sweepers.	
	Men.	Women.	Men.	Women.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Hubli	0 7 11 (62)	0 5 0 (1)	0 6 9 (14)	0 4 8 (9)
Gadag	0 6 6 (12)	0 5 0 (8)	0 4 11 (5)	0 4 0 (7)
Whole Province:				
July 1937	0 11 8 (7,753)	0 7 8 (1,129)	0 10 2 (1,177)	0 8 1 (2,044)
	0 11 2 (8,882)		0 8 10 (3,221)	
1934	0 12 1 (10,041)	0 7 8 (2,874)	0 10 4 (1,387)	0 8 2 (2,028)
	0 11 2 (12,915)		0 9 1 (3,415)	

WATCH AND WARD DEPARTMENT.

The two most important occupations in this department are those of watchmen and their supervisors who are known as jamadars. Only men are employed in this department, and payment is on the basis of monthly rates of wages. As the earnings in all the occupations so far studied have been expressed in terms of daily averages, we present the figures in the case of these two occupations in a similar manner.

TABLE No. 27.

Average Daily Earnings in the Watch and Ward Department in July 1937.

Centre.	Jamadars.	Watchmen.
	Rs. a. p.	Rs. a. p.
Bombay	1 1 8 (103)	0 12 6 (975)
Ahmedabad	0 14 3 (94)	0 9 4 (1,139)
Sholapur	0 14 11 (7)	0 9 4 (140)
Kurla	0 13 9 (2)	0 12 1 (15)
Viramgam	0 13 10 (4)	0 8 9 (28)
Nadiad	1 0 2 (2)	0 8 0 (34)

TABLE No. 27—*contd.*

Centre.	Jamadars.	Watchmen.
	Rs. a. p.	Rs. a. p.
Broach	0 12 11 (1)	0 10 3 (10)
Surat	1 3 9 (2)	0 10 1 (13)
Jalgaon	0 10 6 (3)	0 7 0 (48)
Amalner	....	0 8 0 (8)
Chalisgaon	0 12 5 (1)	0 7 8 (9)
Dhulia	0 11 4 (1)	0 11 11 (10)
Poona	0 13 5 (2)	0 12 11 (7)
Barsi	0 12 4 (1)	0 8 2 (18)
Gokak	0 10 10 (2)	0 9 4 (39)
Hubli	0 10 7 (2)	0 9 2 (25)
Gadag	0 9 3 (2)	0 7 5 (12)
Whole Province : July 1937	0 15 8 (229)	0 10 6 (2,530)
1934	1 0 4 (268)	0 10 8 (2,762)

GENERAL AVERAGES FOR ALL OCCUPATIONS.

The following table sets out the general averages of daily earnings of all adult workers on time and piece rates of wages—firstly, in "process" occupations; secondly, in engineering occupations and occupations common to all factories; and lastly, in all occupations in the different centres of the industry in the Province:

TABLE No. 28.

Average Daily Earnings of All Adult Operatives in All Occupations in July 1937.

Centre.	Operatives in "Process" Occupations.	Operatives in Engineering and "Common" Occupations.	All Occupations.
	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	1 1 4 (97,143)	1 2 8 (10,457)	1 1 5 (107,600)

TABLE No. 28—*contd.*

Centre.	Operatives in "Process" Occupations.	Operatives in Engineering and "Common" Occupations.	All Occupations.
	Rs. a. p.	Rs. a. p.	Rs. a. p.
Ahmedabad:			
Without Relay	1 3 2 (51,922)	1 2 3 (5,956)	1 3 0 (57,878)
With Relay	1 2 4 (8,217)	1 1 7 (503)	1 2 4 (8,720)
All Mills	1 3 0 (60,139)	1 2 3 (6,459)	1 2 11 (66,598)
Sholapur	0 11 3 (15,148)	0 11 6 (2,110)	0 11 4 (17,258)
Kurla	1 0 7 (4,158)	1 0 5 (551)	1 0 7 (4,709)
Viramgam	0 13 10 (1,602)	0 14 7 (183)	0 13 11 (1,785)
Nadiad	1 2 10 (1,437)	0 15 0 (188)	1 2 6 (1,625)
Broach	0 14 7 (1,755)	0 13 2 (136)	0 14 6 (1,891)
Surat	0 14 11 (1,020)	0 14 3 (146)	0 14 10 (1,166)
Jalgaon	0 12 3 (1,760)	0 12 5 (210)	0 12 4 (1,970)
Amalner	0 11 7 (2,417)	0 13 3 (196)	0 11 9 (2,613)
Chalisgaon	0 12 4 (993)	0 10 7 (90)	0 12 2 (1,083)
Dhulia	0 11 3 (2,204)	0 13 8 (214)	0 11 6 (2,418)
Poona	0 12 9 (689)	0 12 8 (85)	0 12 9 (774)
Barsi	0 7 3 (1,309)	0 9 4 (197)	0 7 7 (1,506)
Tikekarwadi	0 9 1 (73)	0 10 6 (4)	0 9 2 (77)
Gokak	0 7 10 (2,382)	0 11 9 (216)	0 8 2 (2,598)
Hubli	0 9 2 (1,348)	0 9 8 (311)	0 9 3 (1,659)
Gadag	0 5 4 (477)	0 9 6 (83)	0 6 0 (560)
Whole Province:			
July 1937	1 0 10 (196,054)	1 1 2 (21,836)	1 0 10 (217,890)
1934	1 1 7 (231,685)	1 2 0 (24,623)	1 1 8 (256,308)

As it would be of interest to compare the general levels of earnings as between 1934 and July 1937 in the three chief centres of the industry, the necessary figures are set out in the following table:

TABLE No. 29.

Comparison of Average Daily Earnings in All Occupations in Bombay, Ahmedabad and Sholapur as between 1934 and 1937.

Occupational group.	Year.	Bombay.	Ahmedabad.	Sholapur.
		Rs. a. p.	Rs. a. p.	Rs. a. p.
Process Operatives ..	1934 ..	1 1 9 (116,989)	1 5 11 (74,185)	0 11 6 (14,435)
	1937 ..	1 1 4 (97,143)	1 3 0 (60,139)	0 11 3 (15,148)
Engineering Operatives ..	1934 ..	1 2 9 (11,429)	1 3 11 (7,901)	0 12 6 (1,889)
	1937 ..	1 2 8 (10,457)	1 2 3 (6,459)	0 11 6 (2,110)
All Operatives ..	1934 ..	1 1 10 (128,418)	1 5 7 (82,086)	0 11 8 (16,324)
	1937 ..	1 1 5 (107,600)	1 2 11 (66,598)	0 11 4 (17,258

CHAPTER III.

THE LIVING WAGE STANDARD.

In our terms of reference we are asked initially " to examine the wages paid to workers having regard to the hours, efficiency and conditions of work in the various centres of the textile industry in the Province, to enquire, in this regard, into the adequacy or inadequacy of the wages earned in relation to a living wage standard and, if they are found in any occupation, centre or unit of the industry to be inadequate, to enquire into and report upon the reasons therefor....." In the previous chapter we have set out the latest available information regarding the wages paid to workers in the main occupations in the various centres of the textile industry in the Province. We now proceed to inquire whether these wages are adequate or inadequate in relation to a living wage standard.

OBJECTIONS TO DEFINING LIVING WAGE STANDARD.

Before attempting to formulate our conception of a living wage standard, we must deal with the plea that it would be inadvisable for us to define a living wage standard. It would not have been possible for us to proceed with our inquiry, if we had been persuaded that this plea had considerable weight, because our terms of reference direct us to inquire into the reasons of any inadequacy in relation to a living wage standard found to exist in the present level of wages and to make recommendations regarding a variety of matters only if such an inadequacy existed. The chief reason why it is considered inadvisable to define a living wage standard is that such a definition may result in an accentuation of labour discontent. It has been said that it would lead to constant friction and discontent for labour to have a standard dangling before its eyes which it could never hope to reach and that representatives of labour would thereby be led in all disputes to fight, even against their convictions, for the high figure set up by the living wage standard. As against this, it may be pointed out that the idea of a living wage standard is an old one in the world of labour and that it has obtained a place in the legislation of many countries. The Versailles Treaty mentioned the provision of an adequate living wage among problems of urgent importance. The conception has played an important and active part in shaping labour policies in the world and it is futile to believe that if we abstained from defining our idea of a living wage standard that would lead to a lessening of its influence in this country. The principle is well recognized today in the world of textile labour of this Province, and an attempt to define the standard was made nearly ten years ago in the award of Dewan Bahadur Jhaveri in an arbitration between the Ahmedabad Millowners' Association and the Textile Labour Association, Ahmedabad. It is worthy of note that even though the Textile Labour Association sets great store by the living wage standard of the Jhaveri award, this has not prevented it, throughout the last decade, from accepting, as part of practical settlements, much lower levels of earnings for the majority of occupations. Again, in its evidence

before us, the Bombay Provincial Trade Union Congress put forward a demand for a living wage of Rs. 45 per month, modified by an immediate demand of Rs. 35 per month as the lowest that should be paid in any occupation. In spite of this, the representatives of the Bombay Provincial Trade Union Congress normally accept settlements on the basis of the present level of wages in individual disputes; and we found that they were willing to modify their demands further in the discussion of questions requiring to be immediately settled, such as standardization. In the light of these considerations, we cannot attach much weight to the plea regarding the inadvisability of defining a living wage standard.

It has also been maintained that the evaluation of a living wage standard by the Committee would penalise, in a special manner, the textile industry of this Province and further that such evaluation must necessarily be preceded by an all-India inquiry covering all industries. We are unable to accept these contentions. We make it clear, in the following discussion, that the concept of the living wage standard has no special connection with the textile industry. It is a generic concept which can be applied to persons in any walk of life. The items included in the normal expenditure of a family will be the same whether the worker is engaged in one or the other occupation. In a concrete measurement of the living wage standard, the circumstances of a particular occupation will have weight only in so far as that occupation involves some special expenditure or the status of earners or the composition of the family of workers in that occupation differs considerably from the normal. For all practical purposes, the living wage standard that we define will be applicable to persons in the same centre similarly circumstanced, whether they are or are not textile workers. We cannot, therefore, see any reason why our definition of the living wage standard should operate unfairly towards the textile industry of this Province. We do not also consider that our work is materially hampered by the absence of data on an all-India scale. Once we accept certain norms of expenditure as being implied in the definition of a living wage standard, their application to particular places and circumstances and their measurement in money terms are dependent on the availability of the data, not for the country as a whole but for the particular region and occupation concerned. And this type of data for the textile workers of this Province are ample enough for our purpose.

DEFINITIONS IN OTHER COUNTRIES.

The attempt to define technical terms in the field of social sciences invariably involves considerable difficulty. The complement of technical terms is not necessarily fixed nor is the usage always standardized; it is noteworthy, for example, that the authoritative Encyclopædia of the Social Sciences does not contain an article on the "living wage" though the term has been current in economic literature for many decades. However, the term "living wage" has not only been used in economic discussion, where it may continue to remain vague, but has also been

defined in legal enactments and by Courts of Justice and other tribunals in some English-speaking countries. The most important of these countries is Australia. In that country the terms "living wage" and "basic wage" are ordinarily synonymous and we give a few examples below of attempted definitions of these terms. An instance of a statutory definition of the living wage is that contained in the Industrial Code of 1920 of South Australia. This Code lays down that the "living wage means a sum sufficient for the normal and reasonable needs of the average employee living in the locality where the work under consideration is done or is to be done." The most famous definition of the basic wage is perhaps that of the Commonwealth Arbitration Court in the Harvester case. The standard of the basic wage here laid down is the "normal needs of the average employee regarded as a human being living in a civilized community". Another interesting and detailed definition of a basic wage is the one contained in the Queensland Industrial Conciliation and Arbitration Act. This provides that the basic wage paid to an adult male employee shall not be less than is "sufficient to maintain a well-conducted employee of average health, strength and competence and his wife and a family of three children in a fair and average standard of comfort, having regard to the conditions of living prevailing among employees in the calling in respect of which such basic wage is fixed, and provided that in fixing such basic wage the earnings of the children or wife of such employee shall not be taken into account." It is not necessary to quote other descriptions and definitions, as most of them embody similar ideas. In other countries, such as Canada and the United States of America, the definitions are not usually so detailed. Sometimes a reference is made to the necessary cost of living and sometimes to the maintenance of health. Occasionally, however, a detailed definition is given such as that a living wage must be sufficient to "furnish the *necessary cost* of *proper* living and maintain the health and welfare (of the workers)".[1] In England wage regulation does not invoke the concept of a living wage. In that country, however, Rowntree's definition of the human needs of labour has been generally accepted as a notable attempt to define a living wage standard. Though all these definitions and measures can hardly be called precise, they reveal a general agreement regarding considerations which are essential for determining a "living wage" or a "living wage standard".

MEASUREMENT OF INADEQUACY.

The problem that our terms of reference set us is one of estimating the inadequacy or deficiency in the present level of earnings. In order to gauge deficiencies, we must devise a standard or a measure with which to compare the existing levels. As pointed out in a recent study published by the International Labour Office,[2] there are two possible approaches to such a problem. One is "by way of *norms* elaborated by physiologists, hygienists, housing specialists and others"; the other follows "the method of setting up *standard budgets* for population groups

[1] Arkansas Act of 1915, quoted by E. M. Burns in "Wages and the State", 1926, page 302.

[2] "The Worker's Standard of Living", 1938, pages 57 and 58.

at different levels of income". During the last two decades both these approaches have been followed in many countries. The whole of the recent progress in nutrition policy exemplifies the first approach. The "London Standards" determined by a Technical Commission of the Health Committee of the League of Nations attempt to define norms. Sir John Orr's famous study "Food, Health and Income" also measures deficiencies in terms of norms. Nevertheless, evaluation cannot be made at present on the basis of norms alone. "The main reason is that the elaboration of norms for many elements of consumption is difficult and slow." The "standard budget" approach has, therefore, been much more widely used and is still very important today. Models of such budgets are to be found in the works of private investigators like Rowntree, but in countries where wage regulation is attempted on the basis of a living wage, standard budgets may be set up after official inquiry. Thus, apart from the calculations made by Boards and Tribunals from time to time, a Royal Commission on the Basic Wage was set up in Australia in 1920. This Commission conducted a detailed inquiry and prepared an elaborate budget for the purpose of evaluating a proper basic wage. In the same manner, a South African Cost of Living Committee prepared estimates of expenditure required to maintain a civilized standard of living for a typical family of a man, wife and three children on (*a*) an average regimen and (*b*) a minimum regimen. The two approaches are not, however, mutually incompatible. As the International Labour Office publication points out, "it seems logical that for purposes of social policy, the two methods ..... should be combined. As norms of nutrition, housing, clothing, etc., are elaborated, they can be applied in setting up and in computing the costs of standard budgets .....".[1] This is the procedure we intend to follow in evaluating a living wage standard for our purpose.

All that has been said so far should make it clear that what we have to attempt is not an exact measurement of a well-defined concept. Any definition of a standard of living is necessarily descriptive rather than logical. Any minimum, after all, is arbitrary and relative. No completely objective and absolute meaning can be attached to a term like the "living wage standard" and it has necessarily to be judged in the light of the circumstances of the particular time and country. It is, however, not necessary for us to define the living wage standard very precisely. We have to use the measure set up not for the determination of a dispute or the grant of an award, but only for ascertaining, in a general manner, whether the present level of earnings is or is not adequate in relation to it. For this purpose, a broad indication of where, in our opinion, such level lies is all that we need attempt.

DATA AVAILABLE.

It has been urged that it would be impossible for the Committee to arrive at even a general idea of the living wage standard in the absence of scientific and exhaustive inquiries, and that the data available are

[1] "The Worker's Standard of Living", 1938, page 59.

at present too slender. In the light of what we have said above, it will be clear that the data required for our purpose are of two types. On the one hand, we require scientific data to fix, if possible, norms and, on the other hand, we require data regarding modes of consumption and living and of costs of various items of expenditure in order to prepare a standard budget and to measure its cost. In respect of the first requirement, the data are as yet insufficient almost everywhere. For such items as clothing scientific norms have almost nowhere been set up today. Advance has been most noteworthy in setting up norms regarding expenditure on food, though it has to be admitted that the position in India is not wholly satisfactory. Scientific data regarding Indian conditions are, however, not entirely lacking. A number of medical authorities gave valuable evidence before us regarding nutritive requirements. We also profited by the data on housing needs and conditions which had been collected for the Rent Enquiry Committee, Bombay. With regard to data about current standards of living, we are in a particularly strong position. The Bombay Labour Office has, during the last 18 years, conducted a number of inquiries into the budgets of working class families in Bombay, Ahmedabad and Sholapur. A large majority of families covered by these inquiries belonged to the class of textile workers. The Labour Office also undertook, during 1937, inquiries into the budgets of the families of textile workers in other centres specially to collect data for our Committee. The family budget data to which we can thus resort are as shown in the following table:

TABLE No. 30.

Numbers of Cotton Mill Workers' Budgets collected in the course of the different Labour Office Family Budget Inquiries.

Centre.	Period of Inquiry.	Total number of budgets collected.	Total number of budgets of cotton textile workers.
Bombay	1921 ..	3,976	1,522
Do.	1932-33 ..	1,469	947
Ahmedabad	1926 ..	872	*
Do.	1933-35 ..	1,293	1,070
Sholapur	1925 ..	1,055	1,055
Do.†	1936 ..	848	650
Viramgam	1937 ..	138	138
Nadiad	1937 ..	177	177

* Information regarding the number of textile workers covered by the 1926 inquiry for Ahmedabad is not available.

† Not published.

TABLE No. 30—*contd.*

Centre.*	Period of Inquiry.	Total number of budgets collected.	Total number of budgets of cotton textile workers.
Broach	1937 ..	127	127
Surat	1937 ..	67	67
Jalgaon	1937 ..	86	86
Amalner	1937 ..	70	70
Chalisgaon	1937 ..	40	40
Dhulia	1937 ..	77	77
Barsi	1937 ..	45	45
Hubli	1937 ..	59	59
Gadag	1937 ..	28	28

* No inquiries were conducted for Kurla, Poona, Gokak and Tikekarwadi.

Although the data are not in every respect as ample as we would have wished, we cannot hold them to be so insufficient as to make it impossible for us to frame a general picture of the living wage standard.

THE UNIT IN TERMS OF WHICH STANDARD IS TO BE DEFINED.

Before we go on to give concrete shape to our concept of a living wage standard we must determine the unit in respect of which we have to define this standard. The main unit of consumption everywhere is the family. Studies of consumption are always made in terms of the family and standards of consumption are set up on the same basis. There is no reason why we should depart from this universal practice. It has, however, been urged before us that the large number of single men and boarders amongst textile workers makes the family unit inappropriate. No data have been put forward in support of this contention. There are no data available for determining separately the civil condition of workers in the textile industry. The family budget inquiries of the Labour Office were directed specifically to families and took no account of single men living by themselves. They cannot, therefore, throw any light on the total number of single men among workers in the textile industry. General considerations are, however, strong for presuming that the large majority of textile workers are married men.

The reports of the recent family budget inquiries in Bombay and Ahmedabad contain information about the ages of workers. One defect of these statistics, for the purpose we have in view, should, however, be noted. It is that, though they cover unmarried earners

who live with families as boarders or as members of a family, they do not contain a sample of the class of workers in the industry who are single and live by themselves. The following table gives information regarding the classification by age groups of earners living in families included in the family budget inquiries:

TABLE No. 31.

Age Distribution of Earners in Family Budget Inquiries conducted by the Labour Office.

Age group.	Bombay.			Ahmedabad.		
	Men.	Women.	Total.	Men.	Women.	Total.
10—14 ..	1	2	3	22	10	32
15—19 ..	82	74	156	155	37	192
20—24 ..	178	97	275	306	77	383
25—29 ..	427	90	517	425	73	498
30—34 ..	329	75	404	271	52	323
35—39 ..	265	63	328	199	44	243
40—44 ..	227	37	264	143	25	168
45—49 ..	157	35	192	100	19	119
50—54 ..	67	18	85	43	11	54
55 and over ..	21	3	24	21	4	25
Unspecified ..	..	..	..	6	..	6
Total ..	1,754	494	2,248	1,691	352	2,043

The above table shows that the percentage of earners below the age of 20 living in families is less than 8 in Bombay and less than 11 in Ahmedabad and that the large majority of earners fall between the ages of 20 and 45, the proportion being 79·54 in Bombay and 79·05 in Ahmedabad. As the bulk of the earners in these groups were textile workers, the age distribution reflected in the above table may safely be taken to represent the distribution by age groups of textile workers also.

For adult males the married state is well-nigh universal in India. Though we have no separate information regarding textile workers, the data contained in the Bombay City Census for 1931 may be taken

to indicate the universality of marriage. The civil condition by age groups of Hindus and Muslims in Bombay City in 1931 is set out in the following table:

TABLE No. 32.

Civil Condition of Hindus and Muslims in Bombay City in 1931 by Age Groups.

Age group.	Hindus (Men only).			Muslims (Men only).		
	Unmarried	Married.	Widowed.	Unmarried	Married.	Widowed.
15—20 ..	27,585	17,166	120	9,087	4,034	52
20—25 ..	25,095	37,347	282	8,941	8,791	132
25—30 ..	10,981	76,797	757	5,108	17,974	300
30—35 ..	6,493	77,981	975	3,246	19,035	396
35—40 ..	2,220	47,245	1,247	1,240	13,768	512
40—45 ..	1,177	30,843	1,265	747	9,837	481
45—50 ..	372	12,498	1,142	268	4,506	431
50—55 ..	215	7,766	1,007	151	2,878	383
55—60 ..	85	3,021	724	57	1,320	274
60—65 ..	58	1,945	585	35	909	227
65—70 ..	19	562	200	16	294	91
70 and over ..	18	600	240	15	349	129

Of the textile workers in Bombay City in 1931, Hindus formed 83·15 per cent. and Muslims 11·25 per cent. There is no reason to believe that the proportion of married persons among textile workers is less than that in the general population of their co-religionists or that the position in the other centres of the textile industry is materially different from the position in Bombay. It is safe, therefore, to assume that single men form, for our purpose, a negligible proportion of textile workers in the Province. If single men predominate in the industry or form a large group in it, it can reasonably be urged that, in determining the living wage standard, this fact should be taken into account. The position in respect of boarders is, however, essentially different. The boarder is not necessarily a single man with a single man's responsibilities. He may be, in a large majority of cases, a married man with a family at his native place depending for its support entirely or to a large extent, on remittances sent by him. In such a case the boarder's living wage standard would not materially differ from that of a married man living in the work-town with his family. Unless it is proved that ordinarily the boarder's responsibilities are substantially less than those

of a man living with his family, the number of boarders would make little difference for the purpose we have in view. In fact, the existence of boarder workers has itself been used, a number of times, as an argument to prove the inadequacy of the wage or of the housing accommodation in an industrial centre.

COMPOSITION OF FAMILY.

Having decided that the living wage standard should be determined in respect of the family unit, we proceed to consider the composition of such a family. Here the results of the family budget inquiries conducted by the Bombay Labour Office are of great value. For, though the inquiries took no notice of single men living by themselves they tried to cover by means of the sample method most of the population of families of workers. The 1937 inquiries conducted by the Labour Office were confined to textile workers. The earlier inquiries covered all classes of industrial workers. In the case of its earlier inquiries, however, the Labour Office has supplied to us data regarding the families of textile workers separately. These data, together with the results of the recent inquiries, can thus be taken to represent the correct position regarding the composition of the families of textile workers. We may confine our attention to the three chief centres of the industry—Bombay, Ahmedabad and Sholapur. The table below sets out the information by groups of incomes for these three centres.[1]

TABLE No. 33.

Average Number of Earners and Dependants in Cotton Mill Workers' Families at Bombay, Ahmedabad and Sholapur by Income Groups.

Income group.	Earners.	Dependants.	Dependants living away from the family.	Total.
Bombay.				
Below Rs. 30 ..	1·13	1·83	0·25	3·21
Rs. 30 and below Rs. 40 ..	1·38	1·75	0·36	3·49
Rs. 40 and ,, Rs. 50 ..	1·43	1·86	0·63	3·92
Rs. 50 and ,, Rs. 60 ..	1·59	2·10	0·83	4·52
Rs. 60 and ,, Rs. 70 ..	1·57	2·49	0·91	4·97
Rs. 70 and ,, Rs. 80 ..	1·84	2·40	1·02	5·26
Rs. 80 and ,, Rs. 90 ..	2·20	2·28	1·40	5·88
Rs. 90 and over	1·97	2·73	1·77	6·47
All incomes	1·53	2·06	0·74	4·33

[1] Similar tables for Viramgam, Nadiad, Broach, Surat, Amalner, Jalgaon, Chalisgaon, Dhulia, Barsi, Hubli and Gadag are given in Appendix VI at pages 472-5.

ROYAL ASIATIC SOCIETY OF THE BOMBAY BRANCH

TABLE No. 33—*contd.*

Income group.	Earners.	Dependants.	Dependants living away from the family.	Total.
Ahmedabad.				
Below Rs. 20 ..	1·04	2·18	....	3·22
Rs. 20 and below Rs. 30 ..	1·18	2·18	0·17	3·53
Rs. 30 and ,, Rs. 40 ..	1·33	2·19	0·29	3·81
Rs. 40 and ,, Rs. 50 ..	1·38	2·47	0·31	4·16
Rs. 50 and ,, Rs. 60 ..	1·83	2·53	0·38	4·74
Rs. 60 and ,, Rs. 70 ..	1·90	2·87	0·35	5·12
Rs. 70 and ,, Rs. 80 ..	2·29	3·11	0·67	6·07
Rs. 80 and ,, Rs. 90 ..	2·48	2·90	0·55	5·93
Rs. 90 and over	2·16	3·58	0·84	6·58
All incomes	1·57	2·50	0·35	4·42
Sholapur.				
Below Rs. 20 ..	1·22	2·45	0·09	3·76
Rs. 20 and below Rs. 30 ..	1·65	2·98	0·14	4·77
Rs. 30 and ,, Rs. 40 ..	1·95	3·45	0·16	5·56
Rs. 40 and ,, Rs. 50 ..	2·45	3·95	0·25	6·65
Rs. 50 and ,, Rs. 60 ..	2·44	4·30	0·65	7·39
Rs. 60 and ,, Rs. 70 ..	1·63	4·62	0·63	6·88
Rs. 70 and ,, Rs. 80 ..	4·00	5·33	1·00	10·33
Rs. 80 and ,, Rs. 90 ..	2·50	6·00	0·25	8·75
Rs. 90 and over	3·67	12·33	0·33	16·33
All incomes	1·69	3·12	0·16	4·97

It will be observed that the variation in the total number of members in the family from centre to centre is considerable and that it is also large as between different grades of income groups in the same centre. It is not necessary to examine the distinction made in the Labour Office studies between natural families and joint households. But it is significant that as the income group rises the numbers of both earners and dependants in the family also increase. As we confine ourselves, as far as possible, to families

of single earners and to limit consideration to families in the lower income grades, we take into account only the earning groups below Rs. 50. The Bombay figures relate to the year 1932-33 and the average number of persons per family varies from 3·21 to 3·92. The Ahmedabad figures relate to the years 1933-35 and the average number of persons per family varies in the different groups from 3·22 to 4·16. The Sholapur inquiry was carried out in 1936 and the corresponding variations in this centre were from 3·76 to 6·65. There is no way of arriving at an exact typical figure within this range; and average, however worked out, would not be necessarily representative. On a balance of considerations it would, in our opinion, be most appropriate to define our living wage standard in all centres with reference to a family of four persons, i.e. a man, a wife and two dependants who would ordinarily be children under 14. We are aware that this may be considered to be an estimate on the low side. The total figure of four, however, seems broadly justified by the statistical data that are available. It is also convenient to define the living wage standard in terms of a natural family. The importance of what the Labour Office inquiries call the " joint household " system varies from centre to centre, but in the two main centres of the industry, that is, in Bombay and Ahmedabad, the number of natural families is larger than that of joint households. The following table sets out the figures for natural families and joint households in Bombay, Ahmedabad and Sholapur:

TABLE No. 34.

The Number of Natural Families and Joint Households of Cotton Textile Workers in Family Budget Inquiries conducted by the Labour Office in Bombay, Ahmedabad and Sholapur.

Centre.	No. of Budgets.	Textile Workers.	
		Natural Families.	Joint Households.
Bombay 1932-33	947	582 61·45%	365 38·55%
Ahmedabad 1933-35	1,070	594 55·51%	476 44·49%
Sholapur* 1936	650	303 46·62%	347 53·38%

* Not published.

The basis of the natural family avoids difficulties encountered in determining the number and status of earners in the unit. The unit of a man, wife and two dependants we consider as the fairest on this

basis. We are aware of the objection forcibly stated, for example, by Rowntree that this leaves a considerable number of families and even a larger number of children inadequately provided for. On the contrary it is necessary to guard against setting up too high a norm in order to provide for a special group. The problem of the exceptionally large family or rather the problem of the normal family at one stage of its life has to be dealt with separately.[1] If it is allowed to influence the unit taken as typical for determining the living wage, the result will be to put the norm at an excessively high figure. This has been the experience even in Australia, and it was perhaps the main reason why the findings of the Royal Commission on the Basic Wage proved unenforceable.[2]

CONSUMPTION UNITS.

The next step in our calculation is the conversion of the total number of members in the family into standard consumption units. This problem has not so far been satisfactorily solved anywhere. In some places, conversion scales based on the total expenditure per unit have been attempted. Mostly, however, the scales are based on food requirements in terms of calories.[3] It is not necessary for us to enter into the difficulties involved. So far as we are aware, no attempt has been made in India to prepare a standard conversion table in terms of general expenditure and the only scale based on dietetic requirements is that contained in the revised edition of Health Bulletin No. 23 " The Nutritive Value of Indian Foods and the Planning of Satisfactory Diets " published by the Indian Research Fund Association. The scale is as follows :

	Coefficient.
Adult male (over 14)	1·0
Adult female (over 14)	0·8
Child 12 and 13 years	0·8
„ 10 „ 11 „	0·7
„ 8 „ 9 „	0·6
„ 6 „ 7 „	0·5
„ 4 „ 5 „	0·4

Dr. W. R. Aykroyd, Director, Nutrition Research Laboratories, Coonoor, states that this scale " is based on considerable experience and may be considered sufficiently near the truth for practical purposes." In his opinion it can be reasonably applied to textile workers in Bombay. Before applying the conversion table it is necessary to postulate the

(1) " Wages and the Family ", P. H. Douglas, 1925.

(2) The " Minimum Wage ", published by the International Labour Office, 1939, pages 38-39.

(3) " Workers' Nutrition and Social Policy ", published by the International Labour Office, 1936, pages 40-47.

ages of the dependants or children in a typical family. The family budget inquiries the results of which we have used for arriving at the family composition give no indication as to the age distribution of children. We have, therefore, thought it safest, for purposes of conversion, to place the figure at twice the value of the mean coefficient for children. This gives for the family one male = 1, a wife = ·8 and two dependants or children ·6 × 2 = 1·2; altogether 3·0. Our typical family may, therefore, be taken to consist of four members and of three consumption units.

DIETETIC NORM—DR. AYKROYD'S OPINION.

We now approach the consideration of the actual expenditure that will have to be incurred by the typical family in order to maintain a living wage standard. We shall begin with the most important item of this expenditure—food. In determining this, the approach that has been universally adopted is that of setting up norms. Initially, these norms were set up only in terms of a minimum calorie intake, but with the advance of nutritional science they have been elaborated. The measure is not now confined to a minimum calorie intake, but extends to the detailed composition of the diet in terms of proteins, carbohydrates, fats, etc., with special emphasis in recent years on certain elements such as vitamins and mineral salts. Dietetic science has advanced so far in relation to European countries and peoples of European origin that it has been found possible to set up for them standards of minimum consumption and to claim that these standards have an objective scientific character. It has to be admitted that nutritional research in India has, in comparison, lagged far behind. No sufficient information is available for setting up equally valid standards for India as a whole. Regional or class diet surveys have also been small in number. We have, however, had the benefit of evidence tendered by medical and scientific authorities who have done some work in this field and have experience of Indian conditions. Of the evidence thus offered, we shall take into consideration first that of Dr. Aykroyd who, as the Director of the Nutrition Research Laboratories, Coonoor, can draw upon, perhaps, the most substantial and specialised work so far carried out in India in this field. Dr. Aykroyd specially prepared for our Committee a note on dietary standards for Indian workers. In his note, Dr. Aykroyd lays down a minimum standard of daily intake of about 2,600 calories for an adult man. It is necessary at this stage to emphasize the point of view adopted by Dr. Aykroyd in preparing his standard dietary. He says: "Caution is necessary in applying Western dietary standards to the East . . . In preparing a 'Health Bulletin' on 'The Nutritive Value of Indian Foods and the Planning of Satisfactory Diets', to be used for public health nutrition work in India, I have suggested standards of calorie, protein, fat, mineral and milk intake far below 'generally accepted' Western standards, because there is no point in putting forward standards out of all relation to reality . . . In practice, the standards recommended by the Laboratories are set so

as to represent an improvement on the existing levels of diet among the poorer classes in India, as discovered by field investigations. At the same time, they represent a not impossible ideal in relation to present economic conditions—or, in other words, a goal to be aimed at which is not too far out of reach." We may thus say that the norm set up by Dr. Aykroyd is a scientific standard modified to suit Indian economic conditions. As such, it may be safely taken as an absolute minimum for the living wage standard. For our purpose, it is not necessary to enter into the details of the composition of the dietary standard suggested by Dr. Aykroyd. We are concerned chiefly with the monetary value of the dietary which nutritional experts lay down as the minimum necessary for the typical family. Dr. Aykroyd states that in South India the cost of his well-balanced diet is Rs. 5 to Rs. 6 per man. In view of the generally higher cost of living in this Province, we may place the figure at a minimum of Rs. 6 per month per adult man. Dr. Aykroyd further points out that this estimate does not allow for any "extras" such as sugar. He is of opinion that an allowance of 25 per cent. of the total cost of primary foodstuffs should be made for expenditure on "extras". Calculating the cost in general terms for this Province, Dr. Aykroyd's estimate would work out at Rs. 18 plus Rs. 4-8-0 for "extras", that is, a total of Rs. 22-8-0 per month for a family of three consumption units.

NATURE OF DIETETIC NORM.

It should be noted that Dr. Aykroyd's well-balanced diet is that of a vegetarian and as such is somewhat cheaper than the corresponding diet for a non-vegetarian would be. Much has been said in the evidence before us regarding the variety of castes and communities and, therefore, of the standards of living among the working classes in India. But, for our purpose, the only important difference that has to be observed is that between the cost of vegetarian and non-vegetarian diets. For, as has been elicited in the examination of the medical witnesses, whether the base of a vegetarian diet is rice, bajri, jowari or even wheat, not much difference is made in the cost of a well-balanced diet. The cost of cereals bears after all a small proportion to the total cost of the diet. It has been pointed out that as between vegetarian and non-vegetarian dietaries also, certain compensatory adjustments can and are usually made. Thus, in a non-vegetarian diet, the same expenditure need not be allowed for some of the more expensive but absolutely essential items of the vegetarian diet, such as milk and ghee; and no difference need really obtain if a full allowance is made for these elements in the vegetarian diets. Ordinarily, however, the non-vegetarian diet will be a little costlier than the vegetarian diet. We have decided to base our calculations on the vegetarian diet only, because we desire to ascertain a minimum living wage standard, and also because the family budget studies reveal a comparatively small consumption of meat amongst textile workers in this Province. In items other than food the difference made to the cost of the living wage standard by different modes of living is negligible.

OTHER ESTIMATES OF EXPENDITURE ON FOOD.

Among the medical authorities who gave evidence before us, two submitted detailed dietaries with estimates of cost. These were Dr. H. V. Tilak, Honorary Provincial Secretary, Bombay Presidency Baby and Health Week Association, and Dr. A. S. Erulkar, both medical practitioners of standing in Bombay City. Dr. Tilak has had experience of some diet surveys in the City and Dr. Erulkar has been Honorary Physician in a big free general hospital catering mainly for the working classes in Bombay. Dr. Tilak puts the cost of food for a family (husband, wife and three children) at Rs. 27-8-0 per month. The scale of conversion adopted by us gives 3·6 consumption units for the family for which Dr. Tilak's calculations have been made. By a simple calculation, we get the approximate figure of Rs. 23 on Dr. Tilak's basis of expenditure for the family considered typical by us. Dr. Erulkar drew up two dietaries setting out the daily food requirements of an adult textile worker—one for a vegetarian and the other for a meat eater. These were drawn up by him with a view to assess the minimum cost, consistent with minimum physiological requirements. He was, however, of opinion that the diet suggested by him for the vegetarian worker was deficient in certain essential elements and the defect could be remedied only by a liberal supply of milk. The monthly expenditure per head for the vegetarian diet was calculated by Dr. Erulkar at Rs. 7-8-3 and for the non-vegetarian diet at Rs. 9-12-4. This gives us the monthly expenditure on food for a family of three consumption units at Rs. 22-8-9 (vegetarian) and Rs. 29-5-0 (non-vegetarian). It should be noted that, while Dr. Aykroyd's dietary has general reference to Indian conditions, Dr. Tilak and Dr. Erulkar refer specifically to conditions in Bombay City. We obtained no evidence relating to special local conditions from any other textile centres in the Province. It is a notable coincidence that three estimates of costs of a minimum vegetarian diet independently arrived at should meet so closely near the figure of Rs. 22-8-0 or Rs. 23. While we do not attach excessive importance to this coincidence, we take it as evidence of a general agreement among those qualified to speak on these matters about the broad level at which the minimum has to be placed.

HOUSING : DEFINING THE NORM.

In matters of food it is highly desirable to seek objective scientific norms ; because, on the one hand, the considerable progress made in the science of nutrition makes this possible to a large extent, and, on the other hand, because existing deficiencies in this regard have grave and lasting consequences on national standards of health and well-being. The latter consideration applies with almost equal force to housing. Housing conditions, especially in the bigger centres of our industrial population, are deplorable and a mere reference to the existing state of affairs can thus afford no idea as to the conditions necessary for a living wage standard. In this matter, however, scientific standards cannot be set up as easily and objectively as in respect of food. While almost uniform dietary standards have been evolved for European countries, housing standards still differ considerably from country to country.

The considerations that usually weigh in setting up these standards cannot very easily or clearly be laid down nor can they be always evaluated accurately. Housing standards vary widely, " partly because they are evolved with the idea of amelioration of conditions, and partly because needs differ with climates, the prevalent types of disease and other factors."[1] We are not concerned with such matters as size and height of buildings, fire prevention, sanitation, light and air, which are usually dealt with under municipal building and health bye-laws. The housing standards that we are concerned with are those relating chiefly to the number of rooms and the floor space per person. Here, again, as in the matter of dietary, we have to keep in mind constantly the background of actual Indian economic conditions. The Australian Royal Commission on the Basic Wage discussed the question whether a four-room or five-room house was the minimum necessary and found in favour of the latter alternative. The more modest standard set up by the Ministry of Health, which is commonly used to measure overcrowding in Great Britain, adopts chiefly the two tests of density and of sex separation in bedroom accommodation. Very little material is yet available for setting up housing standards in India and little discussion has taken place for determining such standards. It is clear, however, that we must keep to the most elementary considerations. There is, in the first instance, the question of the number of rooms. The vast majority of industrial workers in this Province are housed in one-room tenements. We have, however, received no evidence in support of the view that a one-room tenement was not highly unsatisfactory. Almost all witnesses who expressed an opinion on this question definitely stated that a two-room tenement was the minimum necessary. The point need not be laboured. In the crowded environment of an industrial city, housing accommodation, which compels a whole family to cook and eat, live during the day and sleep at night in the same room, cannot certainly be considered as satisfying the minimum requirement of any living standard. A minimum accommodation of two rooms may thus be taken to be established beyond dispute. We have received no evidence regarding the minimum floor area necessary for a family. We observe, however, that the Rent Enquiry Committee, Bombay, lays down a definite minimum standard which it proposes should be immediately enforced. This minimum standard it lays down in its recommendation with reference to Bombay City. The recommendation is : " It is desirable to discourage construction of one-roomed tenements ; but wherever they are found necessary they should not be of less than 180 sq. ft. in size and should not accommodate more than 4 persons."[2] This recommendation of a Committee, which made a special study of housing conditions in the three cities of Bombay, Ahmedabad and Sholapur, can be accepted as embodying a minimum standard. For a family of four, 180 square feet may thus be held as the minimum in Bombay ; the standard of the floor area may be put a little higher in less overcrowded cities.

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(1) " The Worker's Standard of Living ", published by the International Labour Office, 1938, page 41.

(2) " Report of the Rent Enquiry Committee ", Bombay, 1939, Vol. I, page 59.

EXPENDITURE ON RENT AND FOOD.

The report of the Rent Enquiry Committee contains also the data necessary to convert this housing standard into its monetary equivalent. The following table gives the average monthly rent for two-room tenements in the three important centres :

TABLE No. 35.

Average Rent and Area of Two-Room Tenements.[1]

Centre.	Average Monthly Rent.	Approximate floor space.
	Rs. a. p.	
Bombay (Combined E, F and G Wards).	12 8 2	189·19 square feet.
Ahmedabad	7 5 9	251·75 ,, ,,
Sholapur	3 10 4	145·83 ,, ,,

In this table the average of the available floor area for Bombay comes very near to the accommodation held by us to be necessary. In this case Rs. 12 may, therefore, be taken as the allowance of expenditure on rent. For Ahmedabad and Sholapur the floor areas of the tenements differ widely from our requirements. For adjusting this difference we may use the data of rent per 100 square feet given in other tables in the same report.[2] From these we choose the figures given for the income group Rs. 21 to Rs. 40 per month as being the most appropriate for our purpose. The rates per hundred square feet are Rs. 3-12-9 for Ahmedabad and Rs. 2-7-0 for Sholapur. The expenditure on rent may thus be put at between Rs. 6-8-0 and Rs. 7 for Ahmedabad and at between Rs. 4 and Rs. 4-8-0 for Sholapur.

We may sum up the discussion up to this stage by stating that for maintaining a living wage standard the expenditure necessary on the two items of food and rent would be a minimum of Rs. 35 in Bombay, in the neighbourhood of Rs. 30 for Ahmedabad and approximately Rs. 27 for Sholapur.

We may at this point deal with the difference made in our estimate of expenditure by the variations in the cost of living in the different centres of industry. We have already indicated the differences in expenditure on rent in Bombay, Ahmedabad and Sholapur. Differences in the price of cloth between centre and centre are negligible. The total effect of the differences in prices on expenditure on items included in the miscellaneous group would also be small. We, therefore, confine our attention to variations in the expenditure on food. No data are

[1] " Report of the Rent Enquiry Committee ", Bombay, Volume II, Part IV, Tables V, XIV and XX.

[2] Ibid, Volume I, Parts I, II and III, Statistical Tables Nos. 17 and 27.

available which would enable us to measure these variations directly. The composition and the base years of the working class cost of living index numbers compiled by the Bombay Labour Office for Bombay, Ahmedabad and Sholapur are all different. The figures regarding prices of commodities collected by the Labour Office for the purpose of preparing these index numbers do not also cover the same group of commodities in each centre. We have, therefore, had to make certain independent calculations in order to arrive at an indication of this difference. For this purpose, we have utilized the table giving a balanced diet at moderate cost (Table C) from the booklet on " Balanced Diets " published by the Bombay Presidency Baby and Health Week Association[1] and the information regarding retail prices collected periodically by the Director of Agriculture and published every month in the *Bombay Government Gazette*. We decided upon Table C as the most suitable for our purpose because the distribution in this dietary among the more important food materials was more even than that in other dietaries included in this publication. We took from this dietary the quantities of consumption of rice, jowari (to represent the whole group wheat, jowari, bajri), turdal (to represent the pulse group), milk, ghee (to represent ghee and butter), potatoes (to represent root and fruit vegetables) and gul (to represent sugar and gul) and multiplied them by the prices for the respective commodities at Bombay, Ahmedabad and Sholapur as reproduced in the *Labour Gazette*. The sum of these products yielded the amount of expenditure that would have had to be incurred for the greater part of a standard dietary at given dates at the three centres of industry. We had these tables prepared for three different periods. The following table sets out the results of these calculations. In this table the amount for Bombay for each period is taken to be equal to 100 and the amounts for Ahmedabad and Sholapur are shown in the form of percentages of this figure :

TABLE No. 36.

Index Numbers of Expenditure on Food in Bombay, Ahmedabad and Sholapur.

Period.	Bombay.	Ahmedabad.	Sholapur.
July 1929	100	82	86
,, 1934	100	92	86
,, 1939	100	95	88

These figures reveal surprisingly large variations in the differences between the three centres as between one period and another. If the total expenditure on food at Bombay is put at Rs. 23, the variations in the above table indicate a reduction in this expenditure at the other centres varying from Re. 1 to Rs. 4. There are certain assumptions

[1] Page 10.

involved in the above calculations and we do not consider that they do more than give rough indications of the differences made in the expenditure on food by variations in the cost of living. A special inquiry, which, however, would not require much time or money, would be necessary for obtaining a more precise measurement of these differences.

OTHER ITEMS OF EXPENDITURE.

Our approach to the question of the living wage standard has necessarily to be changed when considering items in the family budget other than food and rent. Norms are almost non-existent in this sphere and little headway has been made in any country with the application of scientific objective tests. We shall, therefore, proceed to deal with the other items mainly on the basis of the data afforded by the family budget studies. These items have been divided into three main groups: (1) clothing, (2) fuel and lighting, and (3) miscellaneous. According to the Labour Office family budget studies, the expenditure incurred by the average working class family in the three centres on each of these groups was as follows:

TABLE No. 37.

Expenditure of Families of Textile Workers in Bombay, Ahmedabad and Sholapur for Certain Groups.

Centre.	Average monthly expenditure on		
	Fuel and Lighting.	Clothing, Bedding, Footwear, etc.	Miscellaneous.
	Rs. a. p.	Rs. a. p.	Rs. a. p.
Bombay	3 6 3 (7·17)	3 9 9 (7·63)	12 4 10 (26·00)
Ahmedabad	2 12 6 (6·63)	3 15 10 (9·51)	9 15 5 (23·75)
Sholapur	2 10 2 (9·46)	3 3 9 (11·61)	6 3 10 (22·40)

Note.—Figures in brackets denote percentages of the different items to the total monthly expenditure of the family.

Nothing need be said regarding the expenditure on fuel and lighting. As regards expenditure on clothing, it is contended that the present average expenditure provides neither sufficient protection against inclement weather nor an adequate reserve for a change. Special emphasis is also often placed on the inadequacy of the bedding material. We are not in a position to examine these details nor to provide for any increase that may be necessary. On the other hand, we have not received any suggestions that any part of this expenditure is inadmissible for extravagant.

The miscellaneous group contains a large variety of items. The expenditure is incurred mostly on necessary items or on conventional necessaries. It may be noted that the specific item of amusement accounts for an average expenditure of only two annas and four pies per month in Bombay and two annas and five pies per month in Ahmedabad. There are two items included in this group, which may, however, be considered as inadmissible. These are (1) payments to dependants, and (2) expenditure on liquor or toddy. The first is inadmissible because we have postulated no dependants living away from the family, and the second because of the introduction of prohibition in Bombay and Ahmedabad. These items accounted for Rs. 1-12-9 in the average budget in Bombay and eleven annas and eight pies in the average budget in Ahmedabad. If we take as admissible the average expenditure in the miscellaneous group, barring expenditure on these two items, the total expenditure for the average family for the group will be Rs. 7-14-4 for Bombay, Rs. 7-12-8 for Ahmedabad and Rs. 4-13-5 for Sholapur.

ITEMS NOT INCLUDED IN FAMILY BUDGET STUDIES.

The family budget studies take no account of payment of interest on debt, occasional expenditure on festivals, marriages, etc., and other similar items regarding which satisfactory information could not be obtained. It has also been contended that the budgets reveal an extremely inadequate expenditure on certain heads such as medical relief and education. Medical fees and medicines account for two annas and eleven pies per month in Bombay and two annas and two pies per month in Ahmedabad. Expenditure on education is so negligible that it has not been separately classified or noted in any family budget study. No expenditure also appears in the budgets on account of any type of insurance. These extra items do not obviously all stand on the same footing. If the worker earns a wage which fully covers the living wage standard and, especially, if this includes an adequate provision for various forms of social insurance, it will not be necessary for him to incur any debt. Interest on debt in that case will be an inadmissible item of expenditure. On the other hand, while it may be urged that ceremonial expenditure should be drastically curtailed it cannot in any social life be entirely ignored. It has been said that education would and should ordinarily be free. The State may provide free schooling but this would not obviate expenditure on the incidentals connected with education. Medical relief may perhaps come through sickness insurance, but even so it would have to be provided for under one head of expenditure or the other.

We do not and, in the circumstances, cannot measure in monetary terms what allowance would be necessary to meet such deficiencies or extra items of expenditure. This does not greatly matter because our calculations need not be very precise. On the whole, we believe that we would be justified in placing the minimum expenditure on items

other than food and rent between Rs. 15 and Rs. 20 per month. This would give us, for a typical family of a husband, wife and two children, a range of between Rs. 50 and Rs. 55 for Bombay and of between Rs. 45 and Rs. 50 for Ahmedabad. For Sholapur the range would be about Rs. 3 to Rs. 5 less than for Ahmedabad, and the range for the other centres could be approximately determined by making similar appropriate allowances.

NUMBER OF EARNERS PER FAMILY.

Before we compare the monetary equivalent of the living wage standard determined by us with earnings of workers in the different occupations in the textile industry, we must deal with two important questions. The first is the question of the number of earners per family to be allowed in our calculation and the second is the question of supplementary earnings. The consideration of the first question is made easy by our adopting the natural family as the basis of our calculations. In such a family the question can refer only to the earnings of the wife; the dependants or children can obviously not be expected to earn anything. Should any allowance be made for the possible earnings of a wife? It has been argued that, under a proper interpretation of the term living wage standard, a wife should be spared for the duties of the household and for looking after the children. She cannot be and should not be expected to supplement the earnings by extra paid work. In Australian interpretations of the basic or living wage, the earnings of the wife are always excluded from calculation; this is done ordinarily by the courts of law but sometimes the exclusion is definitely provided by the legislature. To this important consideration has to be added, in our case, an argument of another type. An allowance for the earnings of a wife can only be made if it is always or at least ordinarily possible for the wife to obtain suitable gainful employment. On this point the evidence of the family budget studies is overwhelmingly clear. They show that in the vast majority of cases the wife was not, in actual fact, in any employment. Of the natural families contained in the family budget studies, 71·65 per cent. in Bombay and 74·40 per cent. in Ahmedabad had to depend on the earnings of only the head of the family. In view of this fact, we cannot, for our typical family, make any allowance for the earnings of the wife. This is entirely apart from the propriety of making such an allowance.

OTHER SOURCES OF EARNINGS.

It has been urged that earnings from sources other than his main occupation should be taken into account before we determine whether the family of a worker does not reach a living wage standard. This contention would be correct if it could be shown that a substantial proportion of the workers' families were in receipt of income from supplementary sources. Out of the 947 textile workers' families in the sample in Bombay 316 were in receipt of such income, the corresponding figures for Ahmedabad being 1,070 and 121 respectively. The

proportion in Ahmedabad is obviously negligible and we need examine in detail only the Bombay figures which are shown in the following table :

TABLE No. 38.

Classification of Textile Workers' Families in receipt of Supplementary Income according to the Amount and Source of Additional Income.

Amount of Supplementary Income.	Number of families in receipt of supplementary income from				Total.	Percentage to Total.
	Boarder or Lodger.	Agriculture.	Pension.	Others.		
Nil ..	6	..	..	..	6	1·90
Below Rs. 5 ..	3	4	..	3	10	3·16
Rs. 5 and below Rs. 10.	21	1	1	2	25	7·91
Rs. 10 and below Rs. 15.	106	1	..	2	109	34·49
Rs. 15 and below Rs. 20.	14	..	..	2	16	5·06
Rs. 20 and below Rs. 25.	91	..	..	1	92	29·12
Rs. 25 and below Rs. 30.	3	..	..	..	3	·95
Rs. 30 and below Rs. 35.	19	..	..	..	19	6·01
Rs. 35 and below Rs. 40.	8	..	..	..	8	2·60
Rs. 40 and over .	28	..	..	..	28	8·80
Total ..	299	6	1	10	316	100·00
Percentage to Total.	94·62	1·90	0·32	3·16	100·00	..

It is clear that the question is entirely one of dealing with the income from boarders and lodgers. Out of the 316 families who have an additional source of income, 299 derive the income from boarders and/or lodgers. The really important income is the one derived from the lodger. This is a pure extra. The family already pays rent for its tenement; the contribution of the lodger towards the rent is a net deduction from this item of expenditure. We cannot, however, make any allowance on this account because we have provided for an absolutely minimum housing accommodation and calculated its rental. That accommodation is presumed to be sufficient only for the family of four

persons; an extra inmate would mean overstepping the limit of the maximum number of occupants and this cannot be permitted. As for the boarder, he would involve extra expenditure for the food of the additional consumption unit. The net earning would only be the small profit to be obtained from the common messing arrangement. This supplementary source of earning may, therefore, be safely neglected from our calculations.

CONCLUSION.

The conclusion we arrive at is that an adult male should be held to have to support the family without the help of any supplementary earner or any other source of income. The adequacy or inadequacy in relation to a living wage standard of the wages at present earned in the textile industry in the Province should, therefore, be judged by comparing the average monthly earnings of adult male workers in the various occupations with the result of the calculations we have set out above. The average earnings have already been indicated in the previous chapter. A comparison of these earnings with our estimate of the living wage standard shows plainly that in all centres and for the large majority of occupations in the cotton textile industry the wages earned today are inadequate in relation to a living wage standard. Barring the higher grades of occupations such as those of sizers and warpers, and a section of the best-paid weavers in the bigger centres of the industry, earnings in all other occupations fail to come up to the living wage standard. For the large bulk of the workers, indeed, earnings fall far short of the standard.

We may note that our conclusion refers only to the earnings of the adult male worker. The question of the earnings of the female worker has to be treated separately. In countries like Australia, Canada, or the United States of America where a basic or minimum wage for women is set up, the standard prescribed for evaluating it is different from the standard for the wage of the adult male worker. In the absence of sufficient data we have not dealt separately with this question.

CHAPTER IV.

THE MINIMUM WAGE.

We have been asked, in case we find the wages in any occupation, centre or unit of the industry to be inadequate in relation to a living wage standard, to make recommendations regarding, among other things, "the establishment of a minimum wage". It is unnecessary for us to enter into a detailed history of the minimum wage concept and minimum wage legislation. It would, however, be useful to indicate briefly some of the salient features of this history in order to understand the demands that have been put forward and the recommendations that we make in this behalf.

ORIGIN OF THE CONCEPT AND ITS INITIAL JUSTIFICATION.

The origin and the character of the initial phase of minimum wage legislation are best indicated in the following extract: "Legislation for the regulation of minimum wages forms part of the general body of social legislation which developed in a number of countries during the second half of the nineteenth century. The main object of the labour legislation enacted was to secure reasonable minimum conditions, and beyond these to permit complete freedom. On these lines the laws passed included measures to ensure reasonable sanitary conditions in factories, to protect workers against industrial accidents, to limit the hours of labour and to fix the minimum age for young persons to commence work. For many years, however, no legislation was enacted to provide for the fixing of minimum rates of wages. Nevertheless, enquiries conducted in various countries showed that numbers of workers in certain trades were suffering severe privation as their wages, judged by the generally prevailing standards, were abnormally low. Therefore, in a number of countries the protection of the workers against exceptionally low wages gradually came to be regarded as necessary."[1] The demand for fixing a minimum wage was thus due, in the first instance, to the revelations of abnormally low wages paid in certain industries, especially home-work industries, and minimum wage legislation was meant to eradicate the evils denoted by the term "sweating". At that time the demand was not held to be inconsistent with a general *laissez-faire* regime. It was usually argued that special circumstances were responsible for unduly depressing wages in certain industries and that it was justifiable for the State to interfere, in order to counteract their effects. The operation of minimum wage legislation was, therefore, confined to trades where exceptionally low wages obtained and where investigations revealed conditions calling for the intervention of the State.

OTHER SUPPORTING CONSIDERATIONS.

Almost from the start, however, there may be discerned the presence of two other elements in a varying degree and these elements assumed greater importance with the progress of time. These two elements

(1) "Minimum Wage-Fixing Machinery", published by the International Labour Office, 1927, page 9.

were the need to prevent industrial disputes and the desire to protect or improve the national standard of living. Both of them have, since the beginning, been most prominent in Australasian legislation. In New Zealand the making of wage awards, including the fixing of minimum rates of wages, was entrusted to the Arbitration Court, from the beginning, as part of its function of settling disputes between employers and registered unions of workers. In Australia wage regulation was initiated by a system of wage boards, but the connection of wage regulation with the machinery for the settlement of industrial disputes was established soon afterwards and all the major developments in wage policy occurred thereafter. The Commonwealth Arbitration Court began to operate in 1905, and its first decision defining what constituted a living wage was given in 1907. Since that time most of the awards, apart from basic wage declarations, have been embodied in judgments settling particular wage disputes between organizations of employers and employees. The idea of protecting the standard of living of workers is, of course, closely associated with the living wage basis of the minimum wage. It is noteworthy that the living wage basis of the minimum wage has been adopted in Australia, New Zealand, the United States of America and Canada—countries in which the idea of the protection of a national standard of living has had considerable influence on public policy. This idea is appropriately expressed in the following passage: "But there was another reason for the attempt to prevent low wages. It was held to be very important both from the employers' point of view and for the general prestige of the Dominion that the relatively high standard of living in Canada should not be undermined. Thus people welcomed minimum wage laws as a rampart against the advance of the destructive low wage."(1)

DRAFT INTERNATIONAL CONVENTION, 1928.

Apart, however, from the Dominions and the United States of America, minimum wage regulation remained mainly an instrument for eliminating abnormally low or sweated wages and, as a corollary, for preventing unfair and cut-throat competition amongst employers. The study of minimum wage-fixing machinery, which the International Labour Office prepared as material for framing the International Convention, discusses the other objectives, but attaches little importance to them. This study concludes its remarks in this connection as follows: "To sum up, the chief objects of minimum wage legislation of the type contemplated by the Governing Body in framing the item on the agenda of the Conference are to prevent the payment of unduly low wages, and competition between employers with regard to wages."(2) The Draft International Convention evolved in 1928 after this study naturally described the trades in which wage regulating machinery should be set up as those wherein "no arrangements exist for the effective regulation

(1) Dr. MacMillan, quoted by E. M. Burns in "Wages and the State", 1926, page 16.

(2) "Minimum Wage-Fixing Machinery", published by the International Labour Office, 1927, page 15.

of wages by collective arrangement or otherwise and wages are exceptionally low." The Bombay Strike Enquiry Committee (1928-29) examined the claim for a minimum wage of Rs. 30 made on behalf of Bombay labour in the light of this Convention and held that in the textile industry in Bombay City neither was machinery for regulation of wages entirely absent nor were the wages exceptionally low. The International Convention was similarly used by the Royal Commission on Labour in India for arriving at its finding on the minimum wage.

LESSONS OF THE DEPRESSION.

Since the date of the Draft International Convention, ideas regarding the applicability of the principle of minimum wage regulation have, however, undergone considerable change. The chief part in bringing about this change was played by the economic depression after 1929. During the years of depression it became increasingly clear that even in well-established industries, there was no limit below which wages might not be pushed in the absence of a strong organization of labour. The International Labour Office Year-Book for 1936-37[1] notices this lesson of the depression and its effects in the following terms : " It is a point worthy of note that the development of minimum wage-fixing machinery has continued with unabated vigour during the period of economic recovery. When the depression was at its worst, and the pressure for wage reductions most severe, the need for such legislation as a measure of protection for unorganised or weakly organised workers was clearly demonstrated. As conditions improved, the danger of cut-throat competition at the expense of wage rates was lessened ; but the continued development of minimum wage-fixing machinery is evidence of a recognition that this danger is never entirely absent, and that such machinery forms a necessary part of the normal mechanism of economic control." Minimum wage-fixing machinery has thus advanced from the position of being applied to a few exceptionally low-wage industries for merely restoring proper competitive conditions to being applicable to all industries where labour is unorganized or weakly organized. An exceptionally low wage level can no longer be considered a necessary requirement before minimum wage regulation is introduced. Such regulation may now be properly introduced in normal times in industries paying the current rates of wages. The only necessary test is the state of labour organization.

MINIMUM WAGE SCHEDULE OF MILLOWNERS' ASSOCIATION, BOMBAY.

There is no minimum wage legislation in India. There has, however, been in operation, since July 1934, a schedule of wages covering certain non-rationalized time-work occupations in cotton mills in the city and suburbs of Bombay, framed by the Millowners' Association, Bombay, which must be noticed in this connection. This schedule is commonly known as a minimum wage schedule, but the Association prefers to describe it as a schedule of fair occupational wages. The following

[1] Page 291.

extract gives an account, in the words of the Secretary of the Millowners' Association, Bombay, of the origin of this schedule:

> "MR. MALONEY: Unfortunately, wage cuts had to be made to save the industry. These cuts should have taken place in 1926 or 1927. Conditions were very bad then. Attempts were made by the Association to do what was absolutely essential for the salvation of the industry, but we could not achieve our object. We did not succeed in effecting any wage cuts. Therefore, when the mills closed down, the position of the workers became very bad, and when the mills, one after another, began to close down, there was a lot of labour seeking employment under any condition and we allowed the mills to take individual action, whatever they thought was reasonable and just. It was then that we stepped in and said: 'So far you may go, but no farther.' That was what happened and the minimum wage was fixed according to the standards ruling then."[1]

The Millowners' Association, Bombay, in its written memorandum submitted to the Committee states that the minimum wage schedule has worked satisfactorily and that the number of occupations covered has been extended from time to time. In the oral evidence it was stated on behalf of the Association that it took steps to see that the minimum schedule was observed by all the member mills, that inquiries were made whether its instructions were carried out and when a discrepancy came to light the Association "made detailed enquiries as to the wages paid to every man in the particular mill". We notice that complaints about individual member mills paying wages below the minimum in particular occupations reached the Government Labour Officer even as late as 1937.[2] It is, however, agreed that the minimum wage schedule is generally adhered to by member mills. It is also agreed that the schedule had a salutary steadying effect during the years 1934-35 and continues to afford a kind of protection to workers in occupations covered by it. The minimum wage schedule is confined to certain non-rationalized time-rated occupations and the total number of persons covered by it would not, it is estimated, constitute more than half of the total number of persons employed in the industry. Workers engaged in piece work occupations are not similarly protected. Among piece workers, the predominant class is that of weavers. The representatives of the Millowners' Association, Bombay, stated that protection to weavers was provided "by compilation monthly of the average wages earned." They also stated: "If we consider any mill unduly low, we write to the mill and ask them to bring the wage level in that particular mill up." In determining whether the wage was unduly low or not, the Association had a standard of "something like Rs. 35 a month as the wage for a weaver". We were not informed of any similar standard for other classes of piece workers, nor was the average of the wages of other piece workers compiled at regular intervals for all the

[1] Record of the oral evidence given before the Committee.

[2] Issues of the *Labour Gazette* published by the Labour Office of the Government of Bombay for the months of February, March, August and November 1937.

member mills. It is clear that even weavers are in a different position from that of time workers covered by the minimum wage schedule. Among the latter, each individual worker is guaranteed a minimum wage. In respect of the weaver, the Association's Labour Officer would ordinarily institute inquiries into the weaving rates in any mill only when he found that the average of a whole shed was unduly low. Low individual earnings amongst weavers would, therefore, be difficult both to detect and to bring up.

The minimum wage schedule is binding only on the members of the Millowners' Association, Bombay, in the city and suburbs of Bombay. There are a few (six) mills in Bombay which are not members of the Association. These mills are not bound by the schedule and may pay lower wages. As a fact, in a publication[1] issued by the Millowners' Association, Bombay, we notice the following complaint: "We refer to the fact that no effective means have yet been devised by the Association which would compel non-member mills to fall in line with member mills. The result is that in the few non-member mills which remain in Bombay, the earnings of the workers are considerably below the average wages paid in member mills." It is said, however, that the minimum wage schedule of the Association also influences the wages paid by non-member mills and that the Government Labour Officer utilizes it in settling wage disputes in those mills. The schedule was also used by the Chief Conciliator in disputes under the Bombay Trade Disputes Conciliation Act, 1934.

PRESENT NEED FOR MINIMUM WAGE REGULATION.

This schedule is obviously not a minimum wage schedule properly so called. The latest International Labour Office publication on this subject defines minimum wage regulation as "the fixing of legally enforceable minimum rates of wages by some authority other than the employers and workers or organizations of employers and workers directly concerned."[2] The Millowners' schedule is not legally enforceable; also it is fixed not by any external authority but by one of the parties to the wage bargain. The origin and working of the Association's schedule, however, throws considerable light on the question of the minimum wage. It proves, in the first instance, that, apart from any considerations regarding interests of labour, the danger of unfair competition among employers with regard to wages became so serious in 1934 that the employers' association thought it necessary to intervene. It also proves the practicability of framing a minimum wage schedule for the various occupations in the industry, at least those paid on time rates, and of enforcing it without great difficulty. On the testimony of the Labour Officer and the Chief Conciliator, the minimum wage schedule has also proved useful both in preventing and in settling wage disputes.

(1) "Welfare of the Cotton Mill Worker: Policy of the Millowners' Association, Bombay,", pages 26–27.

(2) "The minimum wage", 1939, page 2.

The Millowners' Association, Bombay, expressed its views in the matter of the fixing of a minimum wage in the following manner: "The Association is not in favour of establishing a single minimum wage based on a theoretical cost of living or a living wage standard. The Association, however, is in favour of extending its existing system of fair occupational wages for time workers and of guaranteeing, wherever possible, adequate earnings for full work for efficient permanent workers in piece-work occupations."

The experience of all countries, especially during the last decade, shows how wage regulation has now become a necessary part of the normal economic mechanism. The experience of the textile industry of this Province also emphasizes the need for such regulation. We refer not only to the experience of Bombay before and after the introduction of the Association's minimum schedule but also to the experience of most centres, other than Ahmedabad, where the wage reductions of the last decade led to an unsatisfactory state of affairs.[1] The case for regulation can be supported on a variety of grounds. It is generally agreed that collective agreements provide the best method of determining wages and this is exemplified by the experience of the textile industry in Ahmedabad. Even collective agreements, however, do not render legislative interference unnecessary.[2] Where no collective bargaining is possible and labour is weakly organized, wage regulation by an external authority becomes highly desirable. It is vital from the point of view of the worker and important even from the point of view of the employer. The millowners in Bombay do not deny the need for a minimum wage, but claim that it is adequately met by their minimum schedule. It can, however, hardly be argued that a schedule framed and guaranteed by the employers could give satisfaction to the workers. Except in Ahmedabad, the workers are even less well-organized than in Bombay and the employers' associations are also either very weak or non-existent. Ahmedabad, with its long and continuous record of collective bargaining, we may treat as exceptional. Elsewhere labour is weakly organized and clearly stands in need of the protection afforded by minimum wage regulation.

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(1) For a detailed description see "Wages and Unemployment in the Bombay Cotton Textile Industry—Report of the Departmental Enquiry", published by the Labour Office, Government of Bombay.

(2) Reference may be made in this connection to the conclusions reached at the Tripartite Technical Conference on the Textile Industry held at Washington in 1937 under the auspices of the International Labour Office.

"The general conclusions to be drawn from the course of the discussion might be summed up as follows:—

(1) Collective agreements are of special importance mainly in the regulation of matters which are not dealt with by legislation and may serve as a very useful preparation for future legislation. They may also be of great utility in the working out and application of the detailed execution of legislation, subject to and within the general limits laid down by the law.

(2) Even in the national field, recourse to legislation is in some cases indispensable to secure a sure and comprehensive basis for the establishment of conditions of fair competition between employers and the proper regulation of conditions of employment." *Vide* "The World Textile Industry", Volume II, published by the International Labour Office, 1937, pages 261-262.

MACHINERY FOR REGULATION.

A large variety of systems of minimum wage regulation is in operation today in the different countries of the world. We have to take account of the important features of these systems in order to recommend the arrangement that seems most suited to our conditions. We shall consider the question under two separate aspects: (i) the machinery for minimum wage regulation, and (ii) the basis of the wage. There are at least four different types of agencies by which a minimum wage may be determined. These are: (i) an enactment, (ii) an arbitration court, (iii) a general board, and (iv) a special trade board. Much need not be said as regards the first method. In some states in Australia and the United States of America the limit below which no wage may be paid in an industry is laid down in a statute. The method is obviously rigid and the usual result has been to put the legal wage at so low a figure as to give little effective protection. The method of the arbitration court is almost universal in Australasian wage legislation. Its application, however, presupposes compulsory arbitration. Further, the arbitration system can work successfully only where labour is organized in strong trade unions. These necessary conditions precedent do not, for the greater part, exist in the textile industry of this Province. We need not, therefore, further consider the possibility of adopting this method of wage determination.

We may, however, at this place comment upon the reply given by the Millowners' Association, Bombay, to our question regarding the machinery for fixing and revising the minimum wage. It states: "The Association is definitely opposed to the idea of fixing a single minimum wage as distinct from minimum occupational wages. We do not think it will be necessary to devise special machinery for revising wage rates, since machinery will be provided under the Bombay Industrial Disputes Act when finally passed." The Bombay Industrial Disputes Act, 1938, provides for compulsory reference of various matters to conciliation. But it does not provide for compulsory arbitration and a binding award —as in Australia—on failure to reach an agreement. The arbitration machinery provided by the Act will operate only on both parties to the dispute agreeing to refer it to arbitration. We cannot, therefore, agree that the Bombay Industrial Disputes Act dispenses with the need for a special machinery for fixing or revising minimum wage rates.

The essential feature of the general board system is that the minimum rates in a number of industries are fixed by the same body. Sometimes a general board fixes rates which apply uniformly to a number of industries; in other cases, different minima are fixed for different industries. The general board system is to be found in the United States of America, Canada and Australasia. It may be observed that this system is prevalent usually in countries where a living wage basis has been definitely adopted for wage regulation and where the protection of a national standard of living is an important objective of the regulation. In Australia and New Zealand, arbitration courts are empowered

to declare basic wages of general application, apart altogether from the existence of a dispute. In exercising this power the courts perform a function distinct from that of arbitration, and are essentially the same type of machinery as general boards for fixing minimum rates applicable to a number of industries. The idea of a general board may thus be associated with the national minimum or basic wage concept. We cannot discuss this mechanism without reference to such a concept or to wage regulation in other industries. Any detailed discussion of this question would take us considerably beyond our terms of reference. We merely note that the great diversity of conditions in India may make the adoption of a general minimum rate much more difficult in this country than elsewhere. The same reason would render less urgent the need for uniformity and co-ordination, which sometimes leads to the adoption of the general wage board. As a fact, the prevalence of the system of the general wage board is becoming less marked even in the countries where it originated. It does not appear to be suitable for our purpose.

THE TRADE BOARD.

A separate board for each industry or trade is the type of minimum wage-fixing machinery which is the most widely adopted. "The essential feature of this scheme is that it is based upon industries, and the control of what the wage shall be rests to a large extent with the trade itself."[1] The constitution of these trade boards is ordinarily of a uniform type. The majority of the members of the board is formed of an equal number of representatives of employers and workers in the industry. To these representatives may sometimes be added a few independent members appointed by the State. The chairman of the board is invariably an independent person appointed either by the State or elected jointly by the representatives of employers and workers. Trade boards of this type appear to be best suited to Indian conditions. In trade boards the wage is arrived at largely by discussion and conciliation and it is only in exceptional circumstances that the deciding vote of the chairman and the independent members is given. In the absence of well-organized unions in regular contact with employers' organizations, trade boards also afford an opportunity to the representatives of both sides to learn each other's point of view. Further, it is possible to determine minima for all the occupations in an industry only under the trade board system. Where the objective of minimum wage regulation is merely the prevention of sweating, it would be sufficient to fix rates only for the lowest grades of ordinary workers in an industry, leaving the skilled and semi-skilled workers unaffected ; where the objective is the protection of a national standard, it would be sufficient to declare a basic wage below which nobody is paid. But, as what we desire is to afford protection to weakly organized labour, to prevent unfair competition amongst employers and to obviate, to some extent, labour disputes, it would not be sufficient to restrict the

[1] "Wages and the State", E. M. Burns, 1926, page 27.

regulation to a single general minimum. All occupational grades in the industry must be covered and this can best be done through the machinery of the trade board.

BASES OF WAGE FIXATION.

It is now necessary to indicate briefly what, in our opinion, are the principles on which the determination of the minimum wage should be based. We do not recommend the setting up of a wholly external authority for the determination of the minimum wage. Our proposal is to arrive at the minimum wage level largely by discussion and conciliation. This approach renders superfluous any detailed definition of the basis; indeed, it makes it impossible to say in advance that a certain basis will be invariably adopted for the purpose. At the same time the number of issues raised and the number of demands made before us require some consideration. The bases of wage fixation have been sometimes put into three classes: (i) the living wage, (ii) the capacity to pay, and (iii) relation to wages in other industries. Other factors considered as important are the cost of living and the degree of skill involved in an occupation. In so far as the cost of living implies the consideration of a standard of living, the question is best examined along with the living wage basis. The other aspect of the cost of living is that connected with changes in the general level of prices. This does not enter into the fundamental determination of the minimum wage level, but merely into its variations. In the same manner, the degree of skill involved can be a consideration only in fixing the differentials after a basic minimum has been laid down for the unskilled worker.

LIVING WAGE BASIS.

We shall, therefore, consider, in the first instance, the three bases specified above. Of these three, the relation to wages in other industries affords a basis not so much for absolute determination as for comparison and adjustment. In special circumstances, it may prove to be of considerable use. Thus, for laying down wages in sweated or home industries, the wage of a comparable non-sweated or factory occupation could be taken as the basis. The basis may also prove useful if two industries similarly situated contained a set of comparable occupations. But it could not be used in the case of a major organised industry, the wage rates in which are themselves influential in determining the general level of wages. We are thus left with the two bases of the living wage and the capacity to pay. We have already noticed in the previous chapter certain definitions of the living wage as laid down in countries where it forms the basis of minimum wage regulation. It would seem on a preliminary consideration of the matter that the living wage basis affords an absolute external standard for the determination of the minimum. In fact, where a living wage criterion has been used in the giving of an award or the fixing of a wage, the decision has always been tempered by other considerations of a practical character. It may be noted that most definitions of the living wage have some saving clause or words which can be made easily to modify its absolute

character. As an example, we may refer to the Queensland definition quoted by us in the previous chapter.[1] On this definition, Professor Pigou comments as follows: "The first part of this provision suggests that the living wage is to be adopted as the sole standard, but the last part belies this suggestion, because, of course, the conditions of living prevailing among employees in the calling depend on their customary earnings, and, therefore, are related to the economic wage of the calling."[2] Even where the provision or definition contains no such saving clause, the wage-fixing bodies have always imported into the interpretation various practical considerations. Mr. President Jethro Brown in interpreting "normal and reasonable needs of the average employee" remarked: "I have frequently said that such needs cannot be interpreted without reference to national income and national output."[3] The Economic Commission on the Queensland Basic Wage, therefore, found that "the economic limitations upon the fixing of wages have been recognised by the Courts, and have influenced their determinations to a greater extent than would appear from superficial evidence."[4] The same conclusion is arrived at in a more recent survey: "One fact which emerges from this survey of living-wage findings is that wage-fixing authorities have throughout, almost without exception, refused to declare a living wage differing in any marked degree from current ruling rates."[5] It is important to observe the difference between the interpretations of the living wage criterion adopted by wage-fixing bodies and others. In Australia, as a result of a detailed investigation, the Royal Commission on the Basic Wage arrived at a figure for the basic living wage which, however, could not be and was not adopted by any wage-fixing authority. In a theoretical determination of the living wage, it is possible by means of objective norms to arrive at an independent calculation; but where such a calculation has to be given immediate effect, practical considerations of costs and outputs, incomes and outlays, that is, all those considerations embraced in the phrase "capacity to pay", necessarily enter into the calculation. Even so, a living wage basis for fixing the minimum wage is explicitly adopted chiefly in those countries where the normal wage level most closely approaches a living wage standard. Elsewhere such a basis is not laid down for the direction of the wage-fixing authority. This does not, of course, mean that no consideration is paid to the question of the workers' standard of living in such a case. The protection

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[1] See *supra*, page 60.

[2] "Essays in Applied Economics", A. C. Pigou, page 64. Compare a similar very recent provision: "In fixing minimum rates a Committee shall, so far as practicable, secure for able-bodied men such wages as in the opinion of the Committee are adequate to promote efficiency and to enable a man in an ordinary case to maintain himself and his family in accordance with such standard of comfort as may be reasonable in relation to the nature of his occupation."—Agricultural Wages Regulation (Scotland) Act, 1937.

[3] Quoted by the Economic Commission on the Queensland Basic Wage Report, 1924, page 25.

[4] Ibid, page 26.

[5] "The Minimum Wage", published by the International Labour Office, 1939, page 39.

of the workers' standard and, if possible, its improvement is and can be the one primary aim of all wage regulation on the part of the State. Where a basis like the living wage is not laid down no independent calculations would be made, but the current concepts of the normal standard of living of particular classes of workers would and do naturally influence wage fixation. In a number of cases we thus find reference made not to a living wage but to the cost of living.

CAPACITY TO PAY.

The basis of " capacity to pay " is similarly difficult to interpret and apply in a precise manner. The most notable attempt to adopt the single basis of a measure of capacity to pay, for wage fixation, was that made by the Economic Commission on the Queensland Basic Wage. The statistical difficulties encountered by the Commission in compiling an index of capacity to pay were enormous and could not be satisfactorily solved in its recommendations, even though the Commission confined its attention to the question of determining the value of material production. The recommendations of the Commission were themselves never adopted. The capacity to pay a wage cannot obviously be determined merely by the value of production. There is the important question of determining the charges that have to be deducted before arriving at the amount that can be paid in wages. The determination of each of a large number of charges involves difficulties, both theoretical and practical. Interest charges, remuneration to salaried staffs and managing agents, sales commissions, profits, all these cannot for any large organized industry be taken as predetermined in a fixed manner. Neither is it to be expected that representatives of labour would accept without challenge the current levels of expenditure on these items—apart from the consideration whether the industry was being reasonably well-managed or not. It should be noted that, in their demand for a minimum wage, the representatives of the Bombay Provincial Trade Union Congress refused to attach weight to considerations of capacity to pay, on the ground that they could not properly judge the capacity to pay of an industry in the management of which labour had no voice.

We conclude, therefore, that it is not possible to lay down, in any well-defined terms, a basis for the fixation of the minimum wage. The standard of living and the condition of the industry will always remain the guiding considerations. But it is not possible to define for this purpose in a precise manner either of these concepts or to indicate the weight that should be attached to each. This is an additional reason why we consider the machinery of the trade board as the most suitable for fixing minimum rates of wages in the textile industry of the Province.

Before we close this discussion, we would refer to one aspect of the basis of capacity to pay. This is the unit in respect of which considerations of capacity to pay should be weighed. The capacity should certainly not be measured in terms of the individual establishment.

It is a clearly established principle in Australian courts that "the remuneration of the employees cannot be allowed to depend on the profits or the losses made by the individual employer, but that the profits of which the industry as a whole is capable may be taken into account."[1] We would apply this principle not only to the individual employer but also to centres of industry, especially when the number of units in a centre is so small that variations in efficiency could not be expected to cancel out. In considering capacity to pay of the industry in a centre, the main criterion should be the profit-making capacity of the industry in the whole Province. Only such allowances would be made for a particular centre as are necessitated by the peculiar nature of its production, or of any special charges that it has to bear because of its location.

SINGLE GENERAL MINIMUM AND OCCUPATIONAL MINIMA

It has been urged by some witnesses that we should recommend a figure at which the minimum wage should be fixed for the textile industry of this Province. We have already indicated the reasons why we consider the single general minimum unsuitable. It would not protect all occupations and would not, therefore, be adequate for our purpose. Neither do we think that there would be any merit in adopting the Australian system of two sets of rates—the basic wage and the minimum wage; the former having application to all industries within a prescribed area and the latter being limited to an industry or to different occupations or grades of workers in an industry. Under Indian conditions, the approach to a national minimum should rather be by way of a multiplication of the number of trade boards covering different trades and industries. As we have said above, the fixation today of a general minimum wage presents many difficulties. It is, of course, obvious that a trade board attempting to fix the various occupational minima has, as a necessary part of the process, to settle also the lowest wage for the unskilled. Any scheme of occupational minima or of standardized rates for an industry has to start from such a basic minimum. There is, in the two approaches of the single general minimum and the occupational minimum, a difference only in emphasis on the particular question of the fixation of the lowest wage. We are keenly alive to the urgency of raising, as far and as soon as practicable, the wages of the lowest paid worker in the textile industry; and we feel sure that the trade boards that may be set up in the future will attach due importance to this consideration. In fact, some employers have also stressed this aspect in their evidence before us. But the minimum is low today not only in the textile industry and not only in the industrial centres but also in all occupations and in all places. It cannot, therefore, be lifted by sudden action; this can be done in the course of time only by a steady continuous pressure on all fronts. In the meanwhile, it would be unwise to neglect to provide minimum wage-fixing machinery which would protect workers other than the lowest paid. We do not,

[1] "Fixation of Wages in Australia", George Anderson, 1929, page 530.

therefore, consider it proper to isolate the question of the lowest wage from the general scheme of occupational wage rates in an industry. And beyond such consideration as has been given to the question in the chapter on standardization we make no specific recommendations in this behalf.[1]

WAGE DIFFERENTIALS.

An important part of the work of the trade board for the textile industry would be the fixing of the differentials between the various occupations and workers. Occupational differentials will be the main type of these differentials. Historically, a set of these differentials have already been evolved in the textile industry, and we found that, to a large extent, the differentials were similar from centre to centre. There are, however, to be found some remarkable differences. The differentials have obviously grown up in a haphazard fashion over a series of years. The attempts at standardization of wages in various centres may lead to a careful examination of the differentials and their systematization. In most cases they are due to extra strain, disagreeableness, skill or responsibility involved in the work. But while all of them might originally have had some justification, they may not be found equally justifiable in the present circumstances. It will be for the trade board to go into this question and fix the differentials as far as practicable in a logical manner. There are one or two outstanding problems connected with the question of differentials on which we may offer some remarks. In the first instance, there is the question of the total spread. The millowners, especially in Bombay, have always complained of the considerable gap that exists between the wages of spinners and weavers. The question was discussed by the Tariff Board (1927) as also by the Bombay Strike Enquiry Committee in some detail. It is not necessary for us to go over the same ground again, especially as no new points were raised in the evidence given before us. We may observe, however, that the problem of the spread is encountered not only in connection with the difference between the earnings of spinners and weavers but that it is also common to the entire scheme of gradations. In India, as compared with other countries, the differentials in the cotton textile industry, as in all industries and occupations, are enormously greater. The differences between the wages of the unskilled and the semi-skilled, of the semi-skilled and the skilled, of skilled manual

[1] In connection with the whole question of the aims and policies of trade boards, the following conclusions reached by a competent student of the English trade boards will be found instructive :—" In so far as any general policy of trade boards is implicit in the fixation of general minimum time rates over a long period of years, it may perhaps be stated thus : (1) begin by levelling up wage rates to the standard already existing among the best employers in the trade, allowing differentials only where necessary to prevent serious injury to or dislocation of legitimate business, yet avoiding encouragement of a continuous subsidy from the workers to the detriment of their own health and efficiency ; (2) increase the minimum rate gradually, taking into consideration changes in the cost of living, what the trade can bear, and the level of wages in comparable trades and occupations ; (3) gradually, but persistently, work towards levelling up the wage rates for comparable work in allied trades.' " British Wage Boards ", D. Sells, 1939, pages 201–204.

workers and clerical occupations, of the lower clerical grades and the higher, of these latter and the technicians and the managerial staff, are all considerable. The total spread between the lowest and the highest paid employees of a concern may be extremely wide and may often be of the degree of 1 : 150 or 200 or even more. Whatever the historical justification for such differentials, it is highly desirable that they should, as far as possible, be reduced. This will have to be achieved slowly by the double process of raising the minimum and reducing the abnormally high differentials. It is, however, doubtful how far this can be achieved in a single industry by itself. A trade board could do something by applying a steady upward pressure on the minimum rates and by holding in check the inflated differentials.

We may next consider the question of sex differentials. Should the rates for men and women differ? It is generally agreed that they should be the same where men and women perform identical tasks. This also is the general practice in the cotton textile industry of the Province. Occupations where men and women perform identical tasks are not, however, very common. Should the minimum level of earnings for men and women, whatever be their occupation, be the same? We believe the answer is inevitable. They will have to be different. A considerable gap, in fact, exists today between the lowest wages earned by men and women in the industry. Any violent disturbance of the existing differentiation is bound to affect the proportion in the employment offered to the two classes of workers. The trade board may reduce the differential between the basic minima for men and women, but this can only be a gradual process. We have already noticed that in countries where the living wage basis is adopted for fixing a minimum wage, the standard of responsibilities for the calculation of a woman's wage is defined in a different manner from that of an adult male. A similar difference may have to be postulated for the textile industry in this Province and an independent standard will have to be fixed for a woman worker's earnings. This will be an important and necessary part of the work of the trade board.

Much need not be said regarding the differentials for learners and apprentices and for injured and infirm workers. These are well established in trade board and trade union practice and could, after a proper ascertainment of the facts, be easily settled by the board. The problem of regional differentials is of a more complicated character, and we deal with it below in connection with our recommendations regarding the constitution and powers of the trade board.

CONSTITUTION AND FUNCTIONS OF TRADE BOARD.

We recommend that a trade board be set up for the cotton textile industry of this Province and that its powers and constitution should be similar to those of the trade boards established under the British Trade Boards Acts of 1909 and 1918. There should be one trade board for the whole of the Province. It should be composed of an equal

number of representatives of employers and workers and should also contain some independent persons. We make no definite recommendation regarding the number of representatives of each side, but feel that such number of representatives of each side may suitably be placed between twelve and fifteen. Following the usual British practice, the number of independent appointed members should be three, of whom one should be the chairman. The representatives of both sides should be nominated after asking associations and unions, wherever they exist, to suggest suitable names. Where such associations or unions do not exist, Government will have to make appointments after direct investigation. The total representation will have to be so distributed as to make the employers' representation representative of all centres of the industry and the workers' representation representative of the various occupations in the industry as well as all the centres of the industry. In view of the present state of workers' organizations in the Province, it is necessary to provide that among workers' representatives on the trade board there may be included some persons, not exceeding in number one-half of the total representatives, who may not be actual workers in the industry. The main duty of the trade board shall be to fix minimum time and/or piece rates for as large a body of workers included in the industry as possible. The trade board should have also the power to fix guaranteed time rates[1] and piece work basis time rates.[2] Both these types of rates we consider as very necessary for properly safeguarding the earnings of piece workers who form a large proportion of workers in the industry. The board may fix special rates for learners, infirm and injured workers, and it may fix different rates for different centres or districts. The trade board may also be authorised to set up, if it considers necessary, regional advisory committees to assist it in its work. In fixing rates no differentiation should, however, be allowed on considerations of the paying capacity of a particular centre or district as apart from the capacity to pay of the industry as a whole. Some allowance will have to be made for differences in cost of living, but considerable caution will have to be exercised in this respect for these differences are apt to be exaggerated. It may be made clear that minimum wage regulation by a trade board cannot apply to those occupations in any centre for which wage rates have been standardized.

When a trade board decides to fix or vary a rate, it should publish the proposed rates of wages for the information of the employers and workers in the industry, and, after hearing objections, it should communicate its final decision to the Minister in charge. The Minister

[1] A *guaranteed time rate* is defined as a rate per hour which will ensure a minimum amount to piece workers for the time during which they have been employed, if their piece work earnings fall short of the guaranteed rate.

[2] A *piece work basis time rate* is defined as a rate which when fixed takes the place of the general minimum time rate as the *basis* rate for piece workers for whom no general or special minimum piece rate has been fixed. In the absence of a general or special minimum piece rate, piece workers must be paid at a piece rate that is sufficient to yield in the circumstances of the case to an ordinary worker at least as much money as the *basis* rate.

should, on receipt of the decision of the trade board, make an order. In making an order it should not be open to the Minister to modify the decision, but he may send the decision back to the board for reconsideration. When the Minister makes an order, the wage rates should become the legally binding minimum rates for all the employers concerned. Their enforcement should be guaranteed by providing for the keeping of records by employers and their periodic inspection. Penalties should also be provided for breaches of the order.

CHANGES IN BOMBAY INDUSTRIAL DISPUTES ACT, 1938.

Our recommendation regarding the establishment of a trade board for determining minimum rates of wages for the textile industry of this Province will not considerably affect the structure of the Bombay Industrial Disputes Act, 1938. The only material amendment rendered necessary by the proposal is to remove minimum rates of wages in industries in which a trade board is established from Schedule II framed under Section 28. A similar exception with regard to minimum wages should also be made in the Act in the definition of " Industrial Matter ". This will take all matters connected with minimum wages out of the purview of the Industrial Disputes Act and place them under the new trade boards legislation.

DANGER OF MINIMUM BECOMING THE MAXIMUM.

It has been sometimes urged that the fixing of minimum wages has a tendency to lower the rates paid by the better employer—that, in effect, the minimum also becomes the maximum. This contention rests chiefly on a misapprehension of the nature of the trade board minimum. The point is made clear in the following passage in which Professor Pigou shows that there is practically little difference in this respect between the trade board and the arbitration court method : " In respect of any given category of workpeople, Court or Board alike would aim at what they consider to be the *proper* wage for *ordinary* workers in that category. The so-called minimum wages of Trade Boards are not intended, in respect of any given category of workpeople, to be fixed at a level substantially below what is ordinarily paid, thus serving merely as a kind of safeguard against eccentric employers. Trade Boards, no less than Arbitration Courts, aim at determining the rates of wages that will actually be paid in their industries. When a piece-rate is announced by either sort of body, this is intended to be the piece-rate payable to all employees. When a time-rate is fixed, Court and Board alike are settling the wage appropriate to a worker of representative strength and skill. For both of them the rate is a *minimum*, in the sense that workers of strength and skill greater than the ordinary may expect better pay ; and by both provision is made to allow workers whose strength and skill is abnormally small to be paid less than the ' minimum ' rate. In this matter, therefore, the two systems are upon all fours. Under both of them the task of public authority is to

announce, not an ineffective minimum, but the rate of wage it deems *proper* to a defined grade of worker in the industry it is reviewing."[1]

While, therefore, individual employers may be paying rates in individual occupations higher than the minimum, the level of wages as a whole of the large majority of employers will not be materially higher than the minimum wage level. This is at present also the relation between the minimum schedule of the Millowners' Association, Bombay, and the rates paid by the various member mills in Bombay. The representatives of the Millowners' Association, Bombay, told us that they had an additional safeguard for preventing the minimum from becoming the maximum. The Association does not allow any member mill to lower any wage rate higher than the minimum which it is at present paying, without the previous permission of the Association. A similar safeguard will now be available all over the Province because of the operation of the Bombay Industrial Disputes Act, 1938. Wages higher than the minimum will continue to form a part of Schedule II, and any change contemplated in them could become the subject matter of an industrial dispute. In this connection we may notice a complaint made to us by representatives of Bombay labour of the use made, by the Chief Conciliator, of the minimum wage schedule of the Millowners' Association, Bombay, in conciliation matters. It was stated that when representatives of labour opposed a cut in existing wage rates in conciliation proceedings, their objection was automatically overruled so long as the wage still remained at or above the level of the minimum of the Millowners' Association, Bombay. It is not necessary for us to ascertain the truth of this statement. We would only say that we do not endorse a mechanical use of the minimum schedule in conciliation or arbitration proceedings. So long as this is avoided, there would be no danger of the minimum also becoming the maximum.

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(1) "Essays in Applied Economics", A. C. Pigou, 1923, page 62.

CHAPTER V.

STANDARDIZATION OF WAGES

The survey of wages in the cotton textile industry in this Province contained in Chapter II indicates the very wide disparities that exist between the earnings of workers in the different centres of the industry and in different occupations in the same centre. In most centres there are similar variations in the scale of payments from unit to unit. The continuance of these disparities is mainly due to the lack of cohesion among the employers and of bargaining strength among the employees. Our terms of reference require us " to make recommendations regarding the standardization of wages " so that variations may be reduced and common standards of payment for similar classes of work adopted. That is the aim of standardization of wages—the fixing for any one or all of the centres of an industry uniform scales of payment for identical types of work. Once standardization of wages is introduced, divergences in the standards of payment of labour are eliminated and thereby a fruitful cause of recurrent wage disputes is removed. There is no occasion for competition between unit and unit in drawing the labour supply, while the scope for co-ordinated action in the matter of payment of wages is widened. From the point of view of labour, too, standardization of wages presents several advantages. The removal of a frequent cause of disputes is as great a gain to employees as to employers, and so is the widened scope for collective bargaining. A constant source of irritation is banished in so far as workers engaged in the same occupation in a centre get payment on the same scale. Besides, the fixing of common standards, which are published for general information, renders easier the task of verification and comparison. The educative influence of standardization is by no means inconsiderable. No less valuable is the influence of standardization in developing a feeling of solidarity among the workers. It is because of these advantages that follow in the wake of standardization of wages that the general principle finds universal support among associations both of employers and of labour. At the same time, it would be wrong to underrate the difficulties involved in achieving standardization. The manufacture of cotton goods comprises a number of operations requiring differing degrees of skill and effort which are not easy to evaluate for the purpose of determining the appropriate payment for each. The type of machinery and material in use, the conditions in which work is carried on, the quality of the goods manufactured—these factors influence production everywhere. Variations in these factors are partly responsible for the disparities in rates and earnings referred to above. In the absence of well-developed collective bargaining, scant success has hitherto attended efforts at reducing these disparities. The task of inducing those who have adopted low wage standards to agree to higher standards of remuneration is not an easy one ; nevertheless, it is one that has, in

our opinion, to be attempted without delay. In assaying it, what is needed, as the experience of Lancashire amply bears out, is the acceptance of the principle of collective bargaining as an integral feature of industrial relations. This is also proved by the history of standardization in the Indian cotton textile industry where the principal handicap has been the absence of a " trade union movement capable of negotiating national wage scales."[1]

HISTORY OF STANDARDIZATION IN PROVINCE.

The history of standardization of wages in the cotton textile industry in this Province goes back to the year 1891 when a prominent mill agent, the late Mr. N. N. Wadia, first drew up a scheme for the consideration of his colleagues in Bombay. That scheme and the subsequent attempts made in Bombay in the same direction met with failure. The Industrial Disputes Committee (1921) commented on the strikes that had occurred because of the uncorrelated action taken by the various units in adjusting their wage rates and aptly observed that if employers failed to take joint action voluntarily they would feel compelled to do so under pressure from the workers, a course which would, in its opinion, be detrimental to the cause of industrial peace. That Committee recommended standardization of wages on a definite principle, a recommendation which was reiterated—after a lapse of six years during which no action was taken—by the Indian Tariff Board (1927). In pursuance of the recommendation of the Tariff Board, the Millowners' Association, Bombay, appointed in 1928 a committee " to investigate and report as to the measures which might reasonably be taken towards the standardization of muster rolls and wage rates." This action coincided with the occurrence of strikes in the City of Bombay which led to the appointment by Government of the Bombay Strike Enquiry Committee. This Committee was called upon, under its terms of reference, to consider the standardization scheme prepared by the Millowners' Association and also the alternative one drawn up by the Joint Strike Committee which had been set up by the workers. The proposals for standardization underwent exhaustive examination at the hands of the Committee which arranged for joint deliberations on the subject between the Standardization Sub-Committee of the Millowners' Association and the Joint Strike Committee. As a result of the consultations held, agreement was reached on a large number of points. This agreement was endorsed by the Committee and on the points on which there was disagreement it recorded its own findings. Certain matters were reserved for further consideration, and, to provide for such consideration and to minimize the chances of disputes on the standard rates, the Committee recommended the setting up of a machinery in the form of a joint committee to inquire into disputes arising under the scheme and to arrange for settlement on the basis of " mediation rules " approved by it.

Early in 1930, the Millowners' Association, Bombay, approved of the standardized rates, embodying the modifications suggested by the

[1] " Problems of Industry in the East ", Harold Butler, 1938, page 20.

Committee, for adoption by member mills, but, unfortunately, this attempt at introducing standardization in Bombay was infructuous. The Millowners' Association in its memorandum submitted to us attributes the failure of the attempt to the unwillingness of labour to co-operate. "Even while negotiations were going on," the memorandum adds, "plans were being made to bring about a general strike with the result that the standardization scheme had to be dropped." On the other hand, the Bombay Provincial Trade Union Congress contends in its memorandum that the abandonment of the scheme was due to the arrest and imprisonment of all the organizers of the Bombay Girni Kamgar Union who had knowledge of the scheme and had participated in the negotiations. "The arrests were soon followed by victimization leading to a general strike," the memorandum proceeds to observe, "and the scheme fell through as well as collective bargaining." The industrial disputes which were a feature of the next few years—combined with the progressive introduction of efficiency measures—led to the shelving of the scheme for the time being. In 1933-34, mills in Bombay made cuts in wages at their discretion. With a view to put a check on such unregulated action, the Millowners' Association intervened and prescribed for its member mills minimum rates of wages for time workers in the numerically more important unrationalized occupations. While the Schedule prevented the rates falling below a certain level, it did not prescribe standard rates and did not deal with the rates for piece workers. The introduction of the Schedule cannot be said to have met the need for standardization of wages, the purpose of which is to place the wage rates in all units in the industry on a uniform level.

The only centre where an attempt at standardization has been made with success is Ahmedabad. As the result of an award made in 1920, the wages of warp and weft piecers, doffers, oilers and muccadams in the ring frame department were standardized. The rates then standardized have since been subjected to uniform cuts and increases. In addition to these occupations, the other occupations covered by agreed schemes of standardization during the last twenty years are doffers, oilers and muccadams in the speed frame department, firemen and drivers. In 1935, at the time of the Delhi Agreement, both parties agreed on evolving a scheme of standardization of the wages of piece workers on the understanding that "such standardization should not involve any cut or increase." The principles on which the standard wage rates for weavers were to be determined by the Ahmedabad Millowners' Association and the Textile Labour Association, Ahmedabad, were set forth in an agreement entered into by them in 1937: "Standardization of weavers' wages shall be put into effect immediately on the understanding that mills paying lower than the standard agreed upon shall immediately raise their wages up to the standard, and those paying higher than the standard shall automatically come down to the standard on the expiry of six months from the date the standardization is given effect to, provided that such mills will be permitted to come to the standard even within the period of six months if recommended by the Conciliation Sub-Committee to be appointed for the purpose. The standardization

shall be based on the average earnings of the weavers in all mills during the period of 12 full Haptas of 12 working days beginning from 1st April 1935 and taking into consideration the composition of cloth, etc., during this period. Rates will be based on the basis of these earnings provided that the allowance to be given in respect of the reduction of rates on account of the adjustment regarding fines, etc., consequent on the Payment of Wages Act would be subject to the decision of the Arbitration Board. Such scientific standardization will be put into effect from 1st January 1938." The various details were worked out, on the lines laid down, through a joint committee and "the standard for the weaving rates" was introduced by agreement in February 1938. The texts of this scheme and also of the other standardization schemes submitted to the Committee are set forth in Appendix VII which will be found at pages 476 to 505 of this Report. The wages of drawers-in and reachers in Ahmedabad were standardized late in 1938 with the abolition of the contract system in that department. According to both the associations in Ahmedabad, nearly 80 per cent. of the wage bill of the industry and about 70 per cent. of the workers in the centre have been brought under the purview of the various standardization schemes hitherto adopted. The schemes so far adopted to not, however, cover workers in a large number of departments such as the mixing, blow room, card room, speed frame (exclusive of doffers, oilers and muccadams), reeling, winding, warping, sizing, finishing and folding departments and the unskilled labour engaged on the contract system. The Textile Labour Association, Ahmedabad, has urged the introduction of standardization in these departments, but according to the Millowners' Association, the state of the industry in 1939 stood in the way of any further progress being achieved.

The inclusion of the question of standardization of wages and musters among our terms of reference has naturally revived interest in all the principal centres of the industry in this Province in the possibility of resorting to standardization as a measure for the promotion of industrial peace and the ending of anarchy in the matter of wage rates. With the general acceptance of the principle of standardization of wages in the evidence before us, we requested the Millowners' Association, Bombay, the Ahmedabad Millowners' Association, the Khandesh, Berar and Burhanpur Millowners' Association and the representatives of the mills in Sholapur, Barsi, Broach and Viramgam to frame standardization schemes for discussion with us and with representatives of labour in the respective centres. In response to this request, schemes were drawn up for Bombay, Khandesh and Sholapur, and we are grateful to the associations in the two former regions and to the representatives of the mills in the last-named centre for the trouble they took in preparing them. The three mills in Barsi could not reach an agreement about a common standard and the attempt had, therefore, to be abandoned. No schemes were received from Broach and Viramgam. The Ahmedabad Millowners' Association and the Textile Labour Association, Ahmedabad, having decided upon standardization by joint agreement merely submitted the schemes in operation for our scrutiny.

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The schemes for standardization of wages in Bombay, Khandesh and Sholapur submitted to us all suffer from this one common defect that they have been framed without any consultation with labour and present, therefore, the point of view of the employers alone. In their evidence before us, the representatives of the Bombay Provincial Trade Union Congress as well as the representatives of labour in Khandesh and Sholapur, expressed their willingness to participate in deliberations on standardization with the representatives of the employers and to assist in the drawing up of agreed schemes. Both before and after initial discussions of the schemes with representatives of employers, we conveyed to them this offer of co-operation. It is a matter of regret to us that this offer was not availed of by them at any stage of the discussions and all that the representatives of employers in the three regions could agree to was that we might discuss the schemes with representatives of labour before forming our own conclusions. Discussions by us with labour representatives were, of course, essential but they could not take the place of deliberations between the two parties either by themselves or along with us. The Bombay Strike Enquiry Committee set the seal of its approval to a scheme of standardization after getting the two parties to hold mutual consultations. Owing to our inability to persuade the representatives of employers to discuss the schemes with labour representatives our deliberations on standardization became difficult and prolonged. Separate discussions with the parties led to the reiteration of certain views and demands without any opportunity being available of arriving at common formulæ after mutual exchange of views. It is not surprising, in the circumstances, that the two parties failed to appreciate each other's points of view and the gulf between them appeared to be incapable of being bridged.

FACTORS GOVERNING STANDARDIZATION.

Before we examine the various schemes in detail and deal with the criticisms, modifications and suggestions put forward by representatives of labour in the different centres, it is necessary to set forth a few considerations bearing on the question of standardization in general. These considerations are well brought out in the following extract from the memorandum submitted to us by Mr. F. Stones, Managing Director, Messrs. E. D. Sassoon and Company Ltd. :

"1. The establishment for one locality of that wage level which represents at the moment an equitable basis between capital and labour.

"2. The establishment of locality differentials.

"3. The analysis of occupational differentials relative to each other.

"4. The analysis of the normal productivity to be returned by labour in each occupation."

The Ahmedabad Millowners' Association and the Textile Labour Association, Ahmedabad, both favour a uniform scheme for the standardization of wages for all the centres of the industry in the Province of Bombay. This is also the view, with certain reservations, of

the representatives of the employers and labour in Sholapur. Before deciding about the application to all the centres of a uniform scheme, it is necessary, however, to keep in view the various factors, such as those mentioned in the foregoing extract, which go to influence the determination of wages in particular centres. Of these, the most important is the cost of living which may vary from centre to centre. If a uniform standard is to be evolved for all the centres, it is essential that, while applying it to the various centres, proper allowance should be made for variations in the cost of living. The next important factor is the capacity of the industry to pay. At any stage, when a scheme of standardization is framed, the capacity of the industry as a whole—and not that of units—has undoubtedly to be taken into account subject, of course, to the general considerations outlined in the chapter on the Minimum Wage. Standards of management, no doubt, differ, but these differences are reflected ultimately in the financial position of the industry in a region as a whole. In so far as the differences in the capacity to pay are due to the efficiency or inefficiency of management, the introduction of a uniform scale of wages will have the effect of raising the level of business efficiency. We believe, however, that the existing regional variations in the payment of labour cannot be ignored altogether. It is far from our intention to suggest that because the existing level of wages remains low in centres where workers can be easily recruited in large numbers at low rates of remunerations, these conditions may be stabilized. But the very existence of the low levels gives some index to the availability of the supply of labour and to the efficiency and bargaining strength of the workers in those centres. It is these factors, in the main, which are also responsible for the prevailing levels of wages. The average wage for agricultural labour is, for instance, higher in the Ahmedabad than in the Sholapur district and higher in Gujerat than in Khandesh. Taking advantage of the introduction of schemes of standardization, it may be possible to help in raising, to some extent, the levels of wages; but this attempt cannot succeed in doing away altogether with the disparities.

PROBLEM OF DIFFERENTIALS.

The next important question is that of the differentials that obtain between one occupation and another in a particular centre and between centre and centre. A glance at the schemes of standardization framed for the different centres is enough to show how numerous are the variations in a centre and what lack of uniformity there is in that respect between centre and centre. An examination of the varying differentials in the different centres reveals divergent points of view, each centre claiming that its basis is scientific. The differences in wage rates are attributed to the differences in the skill and labour involved in the various occupations. But as an illustration of the difficulty that arises in attaching weight to this type of reasoning and of the consequent difficulty of securing uniformity throughout the Province, we would cite the scale of payment proposed for doffers in the frame and ring

spinning departments and for warping creelers. The figures, according to the three schemes, are set forth below :

	Bombay.	Sholapur.	Khandesh.
	Rs. a. p.	Rs. a. p.	Rs. a. p.
Doffer (Ring and Frame) ..	17 0 0	13 8 0	9 0 0
Creeler (Warping) ..	17 0 0	15 0 0	12 8 0

The representatives of the Millowners' Association, Bombay, contended in the course of their evidence before us that the work of a creeler was neither more strenuous nor more skilled than that of a doffer, while the representatives of the Khandesh, Berar and Burhanpur Millowners' Association justified the differential adopted by them on the ground that more strain and skill were involved in the creeler's occupation. That was also the view of the Bombay Strike Enquiry Committee which recommended a daily wage of Rs. 0-13-1 for creelers as against a daily wage of Rs. 0-12-6½ for doffers on the ground that the work of the creelers " is a little superior as they have to arrange the bobbins on the creels with a little more attention, especially if there are yarns of different colours in the warp."[1]. Another illustration is provided by the wages of drawers-in and reachers. The latter get half the wages of the former in Bombay, Ahmedabad and Sholapur ; the standardization scheme for Khandesh makes the difference between the two scales of payment much narrower. The representatives both of the employers and labour in Khandesh maintained that a reacher should get more than half the wage of the drawer-in. The labour and skill involved in work in the different occupations is undoubtedly the main criterion to be adopted in determining differentials, but the illustrations cited above show how the evaluation of this criterion may differ from centre to centre.

Further, in attempting to reduce the disparities between the wages of weavers and spinners in some centres, the historical factor cannot be overlooked. In Bombay, particularly, the industry had mainly developed on the spinning side until the beginning of the present century. When weaving was introduced attractive wages had to be offered to induce skilled workers to join, and the adoption of two looms as the unit of work led to the payment of wages which were much above those earned by spinners. This disparity between the wages in the two sections of the industry attracted the attention of the Indian Tariff Board (1927) which recommended that steps should be taken to reduce it. The disparity is nearly as great in Ahmedabad and greater in Sholapur as will be seen from the following comparative figures of the average daily earnings of single siders and two-loom weavers in the three principal centres of the industry in the Province :

	Single Side Ring Spinner.	Two-Loom Weaver.
	Rs. a. p.	Rs. a. p.
Bombay	0 13 8	1 5 8
Ahmedabad	0 15 9	1 9 1
Sholapur	0 8 10	1 6 0

The question arises whether at the time of standardizing wages in all the occupations an attempt should be made to reduce this disparity. In

[1] " Report of the Bombay Strike Enquiry Committee ", 1929, page 143.

the standardization scheme considered by the Bombay Strike Enquiry Committee, a cut of 7½ per cent. was proposed in the wages of weavers with the intention, it was represented, of securing this object. The Committee, however, recommended that the proposal be dropped with a view to securing the co-operation of labour in the introduction of standardization. In the scheme submitted to us by the Millowners' Association, Bombay, it was proposed to raise the earnings of the two-loom weavers slightly above the level of the wages obtaining in 1937 and to stabilize those of the single siders. The disparity instead of being reduced would thus be somewhat widened. For Sholapur, the proposal, however, was to bring down the earnings of two-loom weavers to below the 1937 level and to leave those of single siders at about the same level. While we agree that advantage should be taken of the adoption of schemes of standardization to reduce disparities, we are of opinion that that end should be achieved not by effecting cuts in the rates for any occupation but by a process of levelling up when the standard lists are framed.

ATTITUDE OF LABOUR.

Standardization of wages, we need hardly emphasize, can be introduced with success only if labour co-operates. Any scheme of standardization acceptable to the owners will involve the bringing down of the wage rates in some units which pay more than others and in some occupations where the earnings are comparatively high. There is naturally opposition on the part of labour to any attempt at levelling down wages. Representatives of labour who gave evidence before us agreed, however, that they could deal with the opposition provided the units and the occupations affected were small in number and the cuts proposed were merely for the purpose of adjusting wage levels and reducing flagrant disparities. Although in Ahmedabad, according to statements made in evidence, the weavers' standardization scheme involved, on a rough calculation, reduction of wages in one-third of the number of mills, increase in another one-third and stabilization in the rest, it was implemented without difficulty because the representatives of labour were actively associated at all stages of the discussions and they could, therefore, appreciate the implications of the proposals. The scheme was thus a product as much of the efforts of the Textile Labour Association as of those of the Ahmedabad Millowners' Association. In the other centres of the industry, on account of the lack of contact between the representatives of labour and of the employers and their associations, the former are naturally not in a position to formulate schemes of their own—though we may add that the representatives of the Amalner and the Dhulia unions, in response to our request, took the trouble of framing a detailed list of standard wage rates in modification of the scheme prepared by the employers. Similar alternative proposals were also prepared at our request by the representatives of labour in Bombay. Representatives of labour in Sholapur contented themselves with offering criticism of the scheme drawn up by the representatives of the mills in Sholapur. Valuable as these criticisms were, the representatives of labour from all these centres stressed the difficulty they experienced in making constructive suggestions in view of their lack of touch with

the employers and the absence of any detailed knowledge of the internal working of the mills. No access to the mills is allowed to representatives of the workers' organizations in these centres, much less any facilities for study and investigation. Mr. S. A. Dange, representing the Bombay Provincial Trade Union Congress, for example, admitted that his knowledge of the technique of production and of machinery was ten years old. This lack of knowledge imposes a handicap in the consideration of schemes of standardization; and, in our opinion, it is essential that before such schemes are drawn up or revised in future proper facilities should be granted by employers' organizations to representatives of trade union organizations to study the machinery in use and the methods of working in vogue.

NORMAL BASIC RATE.

The main criticism of all the three schemes for Bombay, Sholapur and Khandesh by the representatives of labour was that they involved wage cuts in almost all the occupations and that no scheme of standardization which led to general wage cuts would be acceptable to labour. Standardization is usually adopted on a basis that does not involve any substantial addition to the wage bill and stabilizes the aggregate wage cost at the prevailing figures. The cuts that were proposed were justified by the employers and their organizations mainly on the ground that standardization of wages should be for normal times and for normal conditions of trade. The period that the employers selected for the purpose as being normal was the year 1937, that is, subsequent to the time when wage cuts had been effected in all the centres of the industry in view of the depression through which the industry passed after 1932. The wage position was examined by us at the end of the year 1937 and formed the subject matter of our Interim Report issued in February 1938. In the opinion of the representatives of the employers the recommendations made by us did not apply to a normal period, and the increases in wages recommended by us were, therefore, treated by them as temporary increments. As the favourable conditions of the trade which, in their view, had led us to recommend the increases had ceased to exist, the increases should, according to them, not be taken into account when the wages were being standardized. Stabilization should take place, they insisted, more or less on the basis of the wage level obtaining in normal times. Of the three periods 1921-34, 1934-37 and 1938-39, they selected the middle one as the normal period, although actually it was a period when the level of wages had to be depressed owing to the deterioration that had taken place in the condition of the industry. The representatives of labour did not agree that the increases granted in 1938 in accordance with our Interim Report were intended to serve as temporary increments or bonuses. The increases, they urged, represented merely a partial restoration of the cuts made during 1933-34, and should, therefore, have been taken as constituting permanent additions to the wages which could not be withdrawn at the discretion of the employers. Discussion about standardization should proceed, they contended, on the basis of the present level of wages.

It is necessary for the purpose of clarifying the issue to refer to the views set forth in our Interim Report:

"We consider that the general recovery and the recovery in textiles are not temporary as they are based on trends which are visible in almost all aspects of economic activity in most countries of the world. . . . The improvement of the last year and of the current year due to trade recovery we do not propose to entrench upon for an increase in wages. For this year it is only the surplus resulting from the fall in the price of cotton upon which we would draw. In order, further, that the industry may have time to adjust itself to the proposed increase in the annual wages bill and that the additional burden may be met without difficulty in the subsequent years as well, we suggest an increase not to the extent of the entire but of half the amount of the surplus. The increase in the total annual wages bill would thus amount to a sum which the industry could find for a period of two years from this year's special profits due to the fall in the price of cotton. . . .

"Finally, it may be made clear that while we have calculated the proposed increase in wages on the basis of an estimate of the special profit that the industry is likely to receive as a result of the fall in the price of cotton, the ground on which we feel justified in recommending any increase in wages is the cumulative effect of a general improvement in the condition of the industry. A widening of the margin as a result of a fall in the price of cotton may come about even during years of depression. It would then be regarded merely as a windfall and if the workers claimed and obtained any share in such a windfall that would be of a temporary nature. The profit due to the fall in the price of cotton today is also a partial windfall but it accrues during years of good trading profit. Even at margins ruling during 1937, all mills, whose financial structure or technical equipment were not essentially unsound, should have earned substantial profits. It is this betterment—the result of a general trade recovery which we consider should normally last for some time —that is the true basis of our recommendations. It was possible to obtain only for Bombay complete and comparable figures of financial results for a period so recent as the first half of the year 1937. For other centres, the financial results for the latter half of 1937 could not be estimated satisfactorily. On the other hand, approximate calculations regarding the prospective gains due to the increased margin of profit could be made for all the centres of the industry. We have, therefore, thought it convenient to measure the proposed extent of the increase in wages in terms of those gains. Our recommendations leave untouched the results of normal improvements in trading conditions. They further give the mill-owners a margin of two years within which they should be able to make the necessary adjustments to render it possible for the industry to bear the proposed increase in wages in subsequent years."[1]

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[1] Pages 87–89.

These extracts make it clear that the increases we recommended were intended by us to be an integral part of the wages and were, in no sense, to be looked upon as temporary increments or bonuses intended to meet a special situation. Demands for the restoration of the cuts that had been made in the principal centres of the industry in the period of the post-war depression had been put forward by labour in 1937. Our terms of reference did not require us to examine these demands. But we held from our review of the position of the industry, that the depression which was adduced as the principal justification for the wage cuts had lifted and that the capacity of the industry to earn profits was distinctly better than when the cuts were imposed. According to us, out of the substantial betterment that had accrued, the industry could meet additional charges of a reasonable magnitude for the raising of the wage level. To ignore these increases and to seek to stabilize wages on the basis of the level prevailing in 1937 will, therefore, in our opinion, be tantamount to enforcing wage cuts which were partially restored in 1938.

SCALE OF MINIMUM PAYMENTS.

The next important point of divergence of views was with regard to the lowest paid categories of employees in the different centres. In the course of their evidence before us, representatives of labour everywhere demanded the fixing of a minimum wage in the industry, which was put down by the Bombay Provincial Trade Union Congress at Rs. 35 and by the Textile Labour Association, Ahmedabad, at Rs. 30. This demand has been dealt with by us in an earlier chapter, but it is referred to here because the representatives of labour in Bombay, Sholapur and Khandesh objected to the schemes inasmuch as, in framing these, the employers took no cognizance of this demand. In order to facilitate the introduction of standardization, they proposed, without prejudice to their original demand for a minimum wage, certain figures below which, according to them, no worker in apprentice or unskilled occupations should be remunerated, and a similar but somewhat higher figure below which the wages of semi-skilled workers or workers engaged on heavy labour or in occupations deleterious to their health should not fall. These figures were put down by the representatives of the Bombay Provincial Trade Union Congress at Rs. 25 and Rs. 30, respectively, for Bombay. The representatives of labour in Sholapur and Khandesh similarly proposed corresponding limits of Rs. 20 and Rs. 25. For lack of data, the representatives of labour did not find themselves in a position to estimate the effect of these proposals on the total wage bill, but the consequent increase, in their opinion, would not be beyond the capacity of the industry to pay. That there should be a distinction in the scales of payment for workers in apprentice occupations, for unskilled workers, for workers engaged on heavy labour or in occupations involving special risk to health, for semi-skilled workers and for skilled workers is a matter about which there appears to be general agreement. The apprentice occupations intended for new recruits provide stepping-stones to employment in semi-skilled or skilled

occupations and the scale of initial remuneration may thus be somewhat lower. The difference between the normal output of work of all except the semi-skilled and skilled workers, in the opinion of the representatives of labour in Bombay, was small and difficult of assessment; and hence their proposal that there should be only two flat rates for these groups of workers. It is only for the semi-skilled and skilled workers that these differences in output of work can be properly measured and suitably remunerated. The acceptance of this point of view would have resulted in the elimination of the differentials between one occupation and another falling within the proposed scales of Rs. 25 and Rs. 30 for Bombay. The differentials are justified by the employers as being determined by considerations of output of work, but varying as they do from centre to centre and occasionally even in a centre, it is not possible to accept them as having necessarily a scientific basis.

EXAMINATION OF MILLOWNERS' SCHEMES.

The general framework of the scheme formulated by the Millowners' Association, Bombay, was acceptable to the representatives of labour as it conformed to the structure of the scheme agreed to by labour during the deliberations of the Bombay Strike Enquiry Committee. There were certain departures from the principles adopted in 1929, but these were not fundamental. For instance, the basis of the rates for reeling was not the same as in the scheme of 1929. But the new basis of the number of doffs instead of hanks was not objected to by labour provided there was an agreement about the basic rates. There was also a departure in the proposals for the frame department, for in the scheme of the Association there was no schedule of rates recommended in view, it was explained, of the conditions of flux through which this department was passing. There were standard earnings prescribed; and Mr. Dange agreed to the proposal to standardize merely the earnings in this department provided the basis of rates to be adopted could be subjected to examination by the representatives of labour. He proposed, however, that the differentials in the wages of slubbing, inter and roving tenters should remain the same as recoommended by the Bombay Strike Enquiry Committee. There were two main points of difference between the standardized rates for ring spinning proposed in Bombay and Sholapur and the rates in the Millowners' Association's schedule for time workers or in the scheme approved by the Bombay Strike Enquiry Committee. The first was that the distinction between remuneration for spinning on warp frames and weft frames was done away with; the second that in place of the distinction made between single side and double side spinning, there was a single gradation list based on the number of spindles to be looked after. The effect of the gradation, it was explained, would be similar to that of the percentage addition granted for double side working, but the method of gradation adopted, it was claimed, was more satisfactory. Mr. Dange asked for a restoration of the existing distinction between the wage rates for warp and weft siders. In his scheme of gradation, Mr. Dange adhered to the percentage additions allowed for double side working. The increase suggested by him for

double side working was 45 per cent. in place of the 33⅓ per cent. provided for in the Millowners' scheme. The standardization proposals for ring spinners in Sholapur were modelled on those of the Millowners' Association, Bombay. The representatives of labour in Sholapur, however, objected to an attempt being made to enforce rationalization in the occupation in an indirect manner by fixing unduly low wages for siders working on frames with a small number of spindles. For Khandesh no scheme of gradation on the basis of spindles was proposed and there were flat rates for single side spinners, irrespective of the number of spindles worked. There was, however, a distinction made between remuneration for warp and weft spinning.

A schedule of standard rates for winding was agreed to before the Bombay Strike Enquiry Committee, but in the proposals for Bombay no such schedule was drawn up and the scheme provided merely for standardized earnings for 26 days of full work of 9 hours per day for efficient winders. It was not possible, according to the Millowners' Association, Bombay, to prescribe standard rates on account of variations in the speeds, allocation of spindles per winder and the length of the yarn on bobbins. The schemes for Sholapur and Khandesh contained tables for standard rates for winders, and Mr. Stones in his evidence before us furnished us with tables of standard rates that were in operation in his group of mills. The representatives of labour in Bombay agreed that they would not insist on the framing of a schedule of standard rates for winding if the monthly earnings could be standardized at the figure of Rs. 25 as proposed by them, and if the structure of the piece-work rates that would be recommended by the Millowners' Association, Bombay, to the various mills was subject to their scrutiny. A formidable difficulty in the way of standardizing the earnings of winders is that of dividing the work among the women on the musters. The average earnings in this occupation were low, it was asserted by representatives of the employers, because there was always an excess of women employed and the excess was particularly large during certain seasons of the year. The problem of the permanent excess has so far not been solved in most mills. The winders on the muster rolls, it was said, did not wish the existing arrangements to be disturbed but agreed to continue with a smaller volume of work so that employment could be found for all of them. The representatives of the employers urged that any attempt at providing a full day's work such as would ensure a reasonably high wage being earned led to unpleasantness if not to disputes, and standardization of rates on an acceptable basis was, hence, difficult of achievement.

There remains the question of the weaver's wage, the standardization of which has always presented manifold difficulties because of the numerous factors that have to be taken into consideration in assessing the value of the production turned out and the volume of labour put in. In this connection, the Textile Labour Association, Ahmedabad, in its memorandum observes: "The dangerous propensities of the lack of standard can be visualized from the fact that 50 thousand looms of izes from 28s to 72s are manufacturing hundreds of sorts of plain

and fancy with grey and coloured yarn further complicated by the use of different counts of yarn. Each new sort with varying texture would require entirely new rates for the purpose of calculating wages. Different mills have different rates for similar sorts and even different methods of calculation. We have found that in fixing rates, the employers rarely took into consideration either the specification of the cloth, skill required or the strain involved in the process of weaving. The only consideration which weighed with them was how best to give lowest rates. The above mentioned conditions brought about the chaos followed by industrial disturbances which were unparalleled during the last seven years." The standard price list in Lancashire serves as a model for schemes of standardization, but as conditions of production and employment are different in India, that list cannot be suitably adapted to Indian requirements without further investigation and calculation. The preliminary process of investigation and calculation was first gone through by the Millowners' Association, Bombay, by itself and subsequently in collaboration with representatives of labour before an agreed scheme was submitted for the approval of the Bombay Strike Enquiry Committee. The standardization of weavers' wages was achieved by a similar process in Ahmedabad in 1938. The scheme adopted in Ahmedabad differs from that agreed upon in Bombay in 1929. The main difference is that payment in the 1929-30 scheme was to be on the basis of a standard rate in terms of pies per square yard while the basis of the Ahmedabad scheme is payment for weaving plain grey cloth ten yards in length on a 44 inches loom at ten picks in a quarter of an inch. The Millowners' Association, Bombay, accepted the basic standard adopted in Ahmedabad. We would observe that on the whole the scheme for weavers' rates proposed by the Millowners' Association, Bombay, was sound. The representatives of labour were willing to accept it provisionally, but urged that its effect should be watched jointly by them and the Millowners' Association for a period of three months. Both the parties, it was suggested, should compare the earnings under the proposed scheme with those on the existing basis. Each mill, it was further suggested, should keep a full record of the wages that would be payable in case the scheme was brought into force, and while doing this, payment might continue to be made on the existing basis. At the end of the period, the two parties might suggest, after consultation, suitable improvements and modifications in the light of the experience gained. To this proposal the representatives of the Millowners' Association demurred on the ground that it would be tantamount to a postponement of the standardization of weaving rates which the Association looked upon as one of the essential features of its scheme. Such postponement, in its opinion, was undesirable, especially as there was no prospect of a final settlement of the question at the end of the three months.

The representatives of the mills in Sholapur accepted the standardized scheme of weaving rates proposed for Bombay in its entirety, but desired that the basic rates should be lower by 10 per cent. These rates on the average speed and efficiency in Sholapur would yield, they

estimated, a monthly wage of Rs. 31-8-0 to a two-loom weaver. In 1937 the average daily earning of a two-loom weaver in Sholapur was slightly higher than in Bombay. Thus, apart from the cut involved in the proposed elimination of the increases granted in 1938, there would be a further cut as the proposed scheme provided for the basic rates being 10 per cent. lower than in Bombay. For this reason, the representatives of labour found themselves unable to agree to the proposed basis of standardization for weavers' wages, but put forward a demand for rates being standardized on a basis which would yield a minimum monthly earning of Rs. 40 for a two-loom weaver. The representatives of the mills in Sholapur while they refused to accept this basis agreed that if the Millowners' Association, Bombay, effected a percentage increase in the rates fixed in their scheme, they too would raise their schedule of rates by a corresponding percentage.

The scheme for Khandesh was not as elaborate as that adopted in Ahmedabad or proposed for Bombay. The weaver's wage was fixed at pies 77-78 per loom per day plus a 30 per cent. dear food allowance. Allowances were proposed for seven types of cloth. On this basis, the minimum earning of a single-loom weaver on plain cloth was put down at Rs. 13-12-0 per month. The representatives of labour in Khandesh in their alternative scheme proposed to raise the basic rate to 108 pies and further proposed a wider range and an increased scale of allowances. According to them, the minimum earning for a single-loom weaver should be Rs. 25 and for a two-loom weaver Rs. 45. The latter figure was higher than that demanded in any of the other centres, including Ahmedabad; but, on the other hand, it has to be noted that the proposal of the employers' association had the effect of bringing down the one-loom weaver's wage to a figure below that for most semi-skilled and skilled occupations in that region.

VIEWS OF ASSOCIATE MEMBERS REGARDING BASIS OF STANDARDIZATION.

It will be clear from what we have said so far that the gulf between the proposals of the millowners and the demands of labour regarding the standardization of wages was very wide and that we were unable to find any means by which it could be bridged or at least narrowed. From our discussions with both the parties, no sets of figures were available to us on the basis of which we could proceed to build up our scheme of standardization. In spite of the disagreement, both the parties were insistent upon the advisability, nay, the urgency, of our putting forward a complete scheme of standardized wage rates. This was also the view expressed by our Associate Members. Even among them, however, there was no agreement as to the basis on which we should proceed to erect the structure of standardization. Mr. Saklatvala was of opinion that the scheme put forward by the Millowners' Association, Bombay, should be accepted as the basis for a normal year, and that the differences to be maintained between the schemes for the different centres should be determined having regard to the cost of living and the capacity of the industry to pay in each centre.

Mr. Sakarlal Balabhai did not indicate any particular level of wages, which, in his opinion, should be considered as basic. He insisted, however, that the scheme of standardization should be uniform for all centres in the Province and should be applied simultaneously to all of them. The structure of the scheme, according to him, would be identical for all centres and differences in the level of rates would be allowed only on the score of differences in the cost of living and in the natural advantages enjoyed by the centres. He was of opinion that differentiation in rates between centre and centre should not be allowed on the ground of variations in capacity to pay and that if the capacity of the industry to pay in a centre was influenced by factors other than the natural advantages or disadvantages pertaining to the industry in that centre, no weight should be attached to these other factors. By natural advantages, Mr. Sakarlal meant economies arising out of factors such as proximity to sources for the supply of raw materials or to markets, advantageous freight rates, etc. We should, according to him, inquire into all relative advantages or disabilities of this character and should arrive for each centre at a total estimate of the differentiation from the standard rates. Mr. Khedgikar advised us to base our scheme of standardization for Bombay on the existing rates at Ahmedabad including the increment granted in 1938. For Sholapur, Khandesh and the Karnatak he was of opinion that the wages should be fixed at the standard rates for Bombay minus 10 per cent. He desired, however, to make one exception to the uniform application of the scheme of standardized wages to all centres of the industry. The exception was in respect of the wages to be paid to weavers at Sholapur. It has been pointed out that the difference between the earnings of weavers and those of other classes of workers is much greater at Sholapur than, for example, at Bombay or Ahmedabad. The application of a uniform scale of wage rates to all centres would ordinarily involve a drastic cut in the earnings of weavers in Sholapur. Mr. Khedgikar was of opinion that this should be avoided. In order to achieve this, he recommended treating Sholapur weavers as a class by themselves and basing their rates on present average earnings, plus the increase granted in 1938 and a 30 per cent. grain allowance. Mr. Khandubhai Desai held that the level of standardized wages in Bombay should be the same as the existing level in Ahmedabad including the 1938 increment. He suggested the division of mills outside Bombay and Ahmedabad into two broad classes: (i) mills in Gujerat, and (ii) mills in Sholapur, Khandesh, the Karnatak and elsewhere. He felt that, in view of the fact that wages especially in the latter group were very low as compared with those in Ahmedabad or Bombay, it would not be possible to standardize the wage rates for the rest of the Province at a level having a fixed relation to that in Bombay and Ahmedabad. He, therefore, suggested that the scheme of standardized wages for each of the two groups should be formulated by fixing the wage rate for each occupation in a group at the highest rate that was at present paid by any mill in that group. We have indicated in brief the advice given to us by the four Associate Members in respect

of the basis of standardization in order to show the variety of possible approaches to the subject.

DEMAND FOR A SCHEME OF STANDARDIZATION FOR BOMBAY.

While the recommendations to be made regarding standardization of wages in the Province were still under consideration, we received a letter from the Millowners' Association, Bombay, asking us to make our recommendations in the matter of standard levels of wages for Bombay and to submit them to Government in advance of other portions of our Report. We referred this letter immediately to Government and received a communication to the effect that Government desired that the scheme regarding standardization of wages and musters should be submitted as soon as possible and in advance of the final Report.[1] In view of the communication from Government, we hastened to complete the details of the scheme of standardization for Bombay and forwarded it to the Associate Members for their comments on the 16th December 1939. In order to save time, we met them on the 22nd December 1939 and recorded their views on the scheme prepared by us. After considering these views, we sent our final scheme and recommendations to Government on the 23rd December 1939. We reproduce this scheme of standardization at the end of this chapter.

It was not possible for us to present with the scheme a complete explanatory memorandum and we had to content ourselves with a series of brief notes on its salient features. We deal here with the underlying principles of our scheme and the various issues raised by it in greater detail.

COMPONENTS OF A SCHEME FOR STANDARDIZATION.

It should be noted that a scheme for the standardization of wage rates such as that prepared by us for the Bombay cotton textile industry is composed of two separate elements. One is what may be called the structure of the scheme. This consists chiefly of the classified and graded list of various occupations, and, in addition, for piece workers, the methods and measures of calculating earnings. The other part of the scheme consists of the rates put against individual occupations. For time workers the rates represent the wages to be paid for work put in for standard periods of time and for piece workers they are expressed as the money payments for standard tasks or pieces of work. The determination of the rates involves decisions of two different kinds: firstly, that regarding the general level of wage payments to workers in the industry and the total wage bill of the industry; secondly, that regarding differences in payments from occupation to occupation, that is, regarding the position of each individual occupation in the graded list of occupations in the industry. It should further be noted that when a standardization scheme is accepted and put into operation its structure and scheme of differentials tend to remain comparatively fixed, but the general level of rates is dependent upon circumstances and is always liable to adjustment from time to time by mutual agreement. The importance of the former, therefore, is of

[1] The correspondence on the subject is reproduced in Appendix VIII at pages 506 and 507 of this Report.

a permanent character, while the level of rates is essentially temporary. In all places and occupations where standardized wage rates have been in operation for a long time it will be found that the level of rates has been changed as occasions arose usually by means of a percentage addition to or deduction from the entire scheme of rates. We expect that this method will also be followed if a scheme of standardized wage rates is adopted by the cotton textile industry in Bombay.

Before we go on to explain in detail the scheme prepared by us, we indicate the extent to which it has been possible for us to utilize the results of efforts made in the same direction in the past. The scheme approved by the Bombay Strike Enquiry Committee and the detailed occupational classification undertaken by the Labour Office, as a preliminary to its wage census, have both been of the utmost help to us in determining the classification of the numerically important categories of workers. The scheme approved by the Bombay Strike Enquiry Committee gives a clear indication of the differentials between occupation and occupation obtaining in Bombay a decade ago and broadly accepted as fair by both the parties at that time. The results of the wage census conducted by the Labour Office in 1934 and the special sample inquiry carried out by that office in 1937 indicated both the general levels and the scheme of gradation of earnings at the respective dates. The scheme approved by the Bombay Strike Enquiry Committee and the comments embodied in the report of that Committee further proved valuable in a consideration of the structure of the scheme of standardization. As we note below, the scheme of weaving rates adopted at Ahmedabad was also useful in determining the piece-rate structure for weavers. The minimum wage schedule of the Millowners' Association, Bombay, and the report of the special sub-committee on rationalization appointed by the Association in 1934 were also important as guides in our deliberations.

DEFINITION OF NORMAL TIMES.

The Millowners' Association, Bombay, contended that the rates put down in a scheme for standardization of wages should be those appropriate for normal times. It stated that this was the level aimed at in the proposals put forward by it. That the standard rates should be those suitable for normal times was a proposition which was also acceptable to representatives of labour. There was, however, a wide difference in the views of the two sides regarding the normal. There are, in our opinion, many obvious difficulties in trying to define normal times or ascertain a normal period. The term normal may have reference to a variety of factors such as the price level or the state of industry or trade conditions. If we examine the period of the last two decades, it records wide fluctuations in general prices, in the prices of cotton and cloth and in the workers' cost of living. The state of the industry and business conditions similarly show large variations; the limits or the times of these variations do not, again, necessarily coincide in the different centres in the Province. It is, therefore, extremely difficult to choose a particular period and say that it represents normal times.

Further, even if we were able to call a particular period normal, this would help us in our decisions only if we could assume that wages obtaining during that period were also placed at a level which was appropriate for it. We must find not only a normal period but also the wage level suited to the normal period, because the mere fact that a certain wage level ruled during a period that was, judged by prices or the state of the industry, normal could not make it normal. In the face of these considerations any attempt at a theoretical or historical search for the normal must prove futile. We, therefore, approached this question from a different angle and based our recommendations on what appeared to us to be reasonable and fair, looking to prevailing economic conditions, that is, the economic conditions on the eve of the war. During the last twenty years the wages in the cotton textile industry in Bombay stood broadly at three different levels. Wages rose rapidly during the period 1917-21. They were stabilized towards the beginning of 1921 and the level then reached was generally maintained till the year 1933. Cuts were effected by all mills in the wages in all occupations during the period 1933-34 and a new level was attained towards the end of 1934. An attempt to indicate the extent of the difference between these two levels has been made by us in Chapter III of our Interim Report. The wages paid towards the end of 1934 remained substantially unchanged till February 1938 when, as a result of the acceptance of the recommendations made by us in that Report, they were raised in given proportions for different categories, by earnings, of workers. The level of wages ruling on the eve of the war was the same as that in March 1938. The level of wages attained in 1921 ruled for the larger part of the last two decades and the cuts made in 1933-34 were avowedly effected in order to adjust that level to times of a severe depression.

BASIS OF MILLOWNERS' PROPOSALS.

Even a cursory examination of the proposals put forward by the Millowners' Association shows that they constituted an attempt to standardize wages at the level reached during the depression. The minimum wage schedule of the Association adopted in 1934 represented a level below which, on the evidence of the Association itself, it would be unfair to pay a worker even in bad times. Yet a comparison of the rates proposed by the Association in its scheme of standardization for workers covered by the minimum schedule showed little difference between the two sets of wage rates. In some cases the standardization scheme attempted actually to reduce the level accepted by the Association as the minimum in 1934. This was, for example, the case with a number of categories of double side ring spinners. In the circumstances it was obviously impossible for us to accept the contention of the Millowners' Association that their proposals represented a level suitable for normal times. We could not possibly believe that a level for normal times could be almost the same as that laid down by the millowners themselves as the minimum in times of an acute depression after the complete collapse of a general strike. If we considered

that the level of wages embodied in the minimum schedule of 1934 represented a level that could be borne by the industry in a period of bad trade—and there is nothing to support a contrary position—then a level of wages for normal times must necessarily show some advance on the position of the minimum. Our Interim Report contains an examination of the advance made by the industry towards recovery and the wage level suited to it. In that Report we indicated that in 1937 two types of betterment were discernible in the position of the cotton textile industry: one was due to the ordinary recovery of trade from a specially low level previously attained and the other to certain abnormal features of the situation, chief among them being the fall in the price of cotton. While we attempted to measure the extent of the betterment due to both these sets of factors, the increment in wages suggested by us was deliberately put at levels suited to times of normal trade. We have already indicated, with the help of a few extracts from the Interim Report, the nature of the recommendations made by us. The level of wages reached after adding the increments to the 1934 wage level cannot be said to represent a level appropriate for abnormal times, that is, times of special prosperity. This is indirectly prove by the fact that the movement towards increased production of goods by mills, which became marked towards the beginning of 1937, was not checked by the increase in the wage bill in 1938 but continued progressively for almost a year after the grant of the increases.

THE BASIS OF OUR PROPOSALS.

In the light of these considerations we held that the existing level of wages was, at the level of the cost of living ruling in August 1939, suitable for times of normal trade. If either the cost of living or the condition of the industry change markedly in any direction, it would be open to any side to claim and obtain a percentage change in the rates laid down in the standard list. In the absence of any changes in conditions no case could be made out for fixing the standard rates at a level different from the existing one. It is, in addition, obvious that there are considerable difficulties in attempting standardization at other levels, especially those lower than the current. The effort at standardization presumes the existence of variations in the current rates of payment from unit to unit. A standardized rate, while raising the level in units where it is specially low, will necessarily mean a reduction in the earnings of workers in units where the level rules above the average. It may be possible to persuade these workers to accept a reduction in earnings for the sake of benefiting the low-paid section and for attaining a permanently desirable end. It would be very difficult, however, to persuade the mass of workers in normal times to accept a scheme of standardization which involves a general lowering of the level of wages. In such circumstances very few would profit from standardization, while a majority would lose and workers would then rather not have standardized rates at all. We are of opinion that the demand for any material reduction or increase in the wage bill must be considered by itself as a separate issue and not

as a part of a scheme for standardization. If a wage reduction is incorporated in a standardization proposal, this may well result in creating a permanent prejudice against standardization in the minds of workers and make them always suspicious of such proposals.

PLEA FOR A UNIFORM WAGE LEVEL IN PROVINCE.

We had next to consider whether it was necessary to correlate the level of standardized wages in Bombay to that in other centres or any particular centre in the Province. Three of our Associate Members supported the view that the level of wages in Bombay should be the same as that in Ahmedabad. The Ahmedabad Millowners' Association made a number of representations to us to the effect that the level of wages in Ahmedabad was much higher than in Bombay and that we should inquire into the extent of this disparity. Their statements were controverted on a number of points by the Millowners' Association, Bombay, and by Mr. Saklatvala. The main contentions of the Bombay Millowners were: firstly, that the average quality of the products in Ahmedabad being superior to that in Bombay the figures of earnings gave a misleading idea as to the extent of the difference in the rate of payments; and secondly, that the labour costs per 1,000 spindles or per 100 looms were not higher in Ahmedabad than in Bombay. In Chapter II we have set out the results of the sample wage census conducted by the Labour Office in 1937. We held that it would serve no useful purpose if we went beyond the facts then collected and conducted an inquiry into the merits of the case as put forward by the two Associations. An inquiry of this character would have necessarily involved a detailed examination of the cost structure in each centre. Besides the expenditure of time and energy that it would have necessitated, such an examination would not have yielded any results of special significance from the point of view of our terms of reference. We did not think it necessary to examine this question in detail also because we held that the time had not yet come when it was possible to have a uniform level of wages in the industry throughout the Province. The Province consists of different regions in which the conditions of the supply of and demand for labour are markedly divergent. In the large majority of centres collective bargaining is non-existent and labour organizations are weak. No beginning has yet been made in the regulation of wages by the State. Not only are there differences in the levels of wage rates between region and region but the disparities in the payments made by the various units within a region are also considerable. In these circumstances an attempt to enforce a uniform level of wages—even when an allowance is made for the cost of living—would involve too numerous and too considerable changes in wage rates. An approach to uniformity, if it is ever achieved, must be through at least two previous stages. These stages are: first, the imposition of a minimum wage level for a region which will considerably narrow the disparities within the region, and second, the standardization of wages for the region. In our opinion, the introduction in 1934 of the minimum wage schedule in Bombay paved the way for

standardization in that centre. This standardization should, however, be based on conditions obtaining in a centre by itself and its consideration should not at this initial stage be complicated by attempting a definite correlation to an extraneous wage level. We may in this connection refer to the history of standardization in both the cotton and the coal industries in England. The extent of the uniformity that obtains today in Lancashire has been achieved by the gradual adoption, by various regions, of price lists evolved in important centres for particular occupations or departments. Conditions in Lancashire, it should moreover be remembered, are vastly less varied than in this Province and even so the extent of the uniformity achieved is not complete. In the coal industry, where the area covered is wider and the conditions more diversified, uniformity does not obtain either in the rates or in the terms of agreement. A national agreement was operative in that industry only for the short period between 1921 and 1925; the rule of separate district agreements has been revived since 1926 and seems, at least at the present, destined to continue.

DEFINITIONS OF DUTIES OF WORKERS AND STANDARDIZATION OF MUSTERS.

We have, in framing our scheme of standardization for Bombay, adopted broadly the basis of the existing level of wages in that centre. It may be noted that this was the procedure adopted by the Millowners' Association, Bombay, in preparing the scheme of standardized rates of wages published by it in 1930 and that the Bombay Strike Enquiry Committee advised the millowners against enforcing a cut in the weavers' wage while introducing a scheme of standardization even though it held that prevailing circumstances justified such a cut. Our proposals have neither been put in the form adopted by the Association in 1930 nor are they as detailed. The main difference between the two sets of proposals arises out of the fact that we have not been able either to define the duties of the different categories of workers or to indicate their comparative strength in each process or department as was done in the scheme of 1930. We were unable to do this because the representatives of the Millowners' Association, in their evidence before us, maintained that it was neither possible nor desirable to define the duties of workers nor to standardize musters. It was argued that it was undesirable to define the duties of workers because such a definition could never be comprehensive enough to meet all conditions and contingencies and that it would, therefore, constantly give grounds for complaints on the part of workers. With regard to standardization of musters it was said that conditions of work differed widely from unit to unit and that further they were undergoing a rapid change in particular departments; in the circumstances, standardization of musters would lead to a rigidity which would prove harmful to the progress of the industry. While acknowledging that these arguments have some force, we consider that they are not such as to justify the view that an attempt at a definition of duties or the standardization of musters is impossible. It has to be emphasized that a precise definition of these duties is of the utmost importance from the point of view of the worker. In such

a definition lies an obvious guarantee against extra demands being made of the worker or extra pressure exerted on him by his superiors. Definitions are also necessary for a proper implementing of the scheme of standardization. When a scheme names different categories of workers and indicates different rates of payments for them it necessarily assumes that the connotation of each of these categories is clearly understood. The millowners adduced no specific instances of the difficulties involved in framing definitions which could lead us to believe that an explicit statement of the duties of each category of workers was either not as possible today as it was in 1929 or that it was less desirable than when the Bombay Strike Enquiry Committee presented its report. The standardization of musters is, no doubt, work of a more complicated character than the definition of duties. Variations in conditions of work and possibilities of changes in the detailed processes of manufacture may lead to special difficulties in this behalf. But these considerations cannot cover equally all departments in a mill. Departments in which changes are actually taking place may for the time being be left out; but this can be no reason for neglecting the work altogether. We would in this connection draw special attention to that class of piece workers whose output is influenced in a marked degree by the number of helpers. This is notably so with tenters in the frame department and weavers on the rationalized system. We are of opinion that the determination of the number of helpers, whenever they are given to piece workers in any department, is absolutely necessary and should be attempted, immediately a scheme of standardized wage rates is put into force. That the difficulties involved in this task are not insuperable is clearly shown by the specific recommendation regarding the complement of doffer boys which the special sub-committee of the Millowners' Association, Bombay, was itself able to frame in 1934. Lastly, we would point out that the contention that a definition of duties and standardization of musters will lead to a rigidity of conditions has little force since the passing of the Bombay Industrial Disputes Act, 1938. The Act makes it impossible for the employer to change, without notice to workers, old practices which have the sanction of custom or usage or the number of permanent workers. With divergent usages and customs in various mills the field for possible disputes would be very large. It will obviously be advantageous to both parties to have the duties of workers clearly defined and the musters standardized so that practice is made uniform from unit to unit and the investigation of complaints and the settlement of disputes is made easier.

DETERMINATION OF PRESENT EARNINGS.

In determining, for purposes of standardization, the present level of earnings in each occupation we have proceeded by ascertaining the average earnings revealed by the sample wage census of 1937 and adding thereto the increment appropriate to the category of earnings in the schedule, incorporated in our Interim Report, in which the average fell. We are aware that where earnings are spread on either side of the line dividing two categories of earnings in the schedule the average arrived

at by our method of calculation may be different from and sometimes even a little lower than the average of actual earnings, inclusive of the 1938 increment. In the absence of detailed information regarding the frequency distribution of actual earnings, the method followed by us was, however, the only possible one; and the difference made by it in results is also negligible. The procedure adopted by us further assumes that there have been no changes in wage rates, apart from the 1938 increment since 1937. To our knowledge, this assumption is substantially correct. We have, of course, not put the wage rate in our scheme at the exact figure arrived at by the method described above, but have in most cases put it at the nearest higher eight anna or rupee figure. We see no justification for differences smaller than eight annas in the wage rate schedule for time workers and we have taken advantage of this opportunity to eliminate to some extent the large number of small differentials that have grown up in the industry through course of time. Mr. Dange's proposals regarding differentials for the unskilled and semi-skilled workers were of a radical character, but the representatives of the Millowners' Association, Bombay, were not in favour of doing away with the differentials in this manner.

WAGES OF LOWEST PAID WORKERS.

The reduction in the number of differentiated categories of wage rates was helped by the one departure we made from the rule of standardizing the wage at the average actual earnings obtaining today. This was in respect of the earnings of the categories of the lowest paid unskilled workers. The classes of workers affected are sweepers (male and female), doffer boys and creelers, coolies, pickers, carriers and the entirely unskilled workers in the process departments. We have in Chapter IV, accepted the need for minimum wage regulation and have pointed out that the Trade Board, that we propose should be set up, would have to give special attention to the question of raising the wages of the lowest paid workers in the textile industry. The centre in which a scheme of standardization is in operation will be outside the purview of minimum wage regulation, and, once such a scheme is adopted, it will be difficult to revise the wage rates for individual occupations. It was, therefore, necessary for us in respect of the lowest wage categories to take action of the type we expect the Trade Board to take and to recommend standardized wage rates accordingly. The lowest wage proposed by us is Rs. 20 per month for women sweepers. We have put doffers and creelers on an initial wage of Rs. 22 per month in view of the fact that their occupations are considered as learners' occupations. We have, however, made special provision for persons who may remain in these occupations for long periods of time. The wages of men sweepers are put at Rs. 24 per month, and those of coolies and other unskilled workers at Rs. 25 per month. The increases in wage rates, which these figures represent are, no doubt, somewhat substantial so far as the particular classes of workers are concerned; but they amount in the aggregate to a very small percentage of the total wage bill.

TREATMENT OF OCCUPATIONAL DIFFERENTIALS.

Our proposals regarding increases in the lowest categories and our treatment of very small differentials have led to some departures from the existing scheme of occupational differentials. The effect has been, in the main, to narrow the differences between the lower paid and the higher paid classes of workers and to diminish the number of separate categories of wage rates. We have not attempted any other adjustments regarding occupational gradations and have, in general, adhered closely to existing levels of payments. There are, in the nature of things, no objective tests which can determine the differences that should obtain in wage payments between any two occupations and current practice must largely guide decisions in this matter. If detailed discussions between representatives of millowners and labour had taken place, they might have led to agreements or at least pointed the way to certain desirable changes. In the absence of such discussions and in the absence of a convincing case made out for any particular change, we have retained the differentials revealed by the 1937 census as modified by the graded schedule of the increments granted in 1938. We may illustrate our procedure further by reference to the particular case of the gradation of the standard average earnings of the different classes of frame tenters. These grades in the proposals of the Millowners' Association, Bombay, were much closer together than in the scheme approved by the Bombay Strike Enquiry Committee. Mr. Dange urged that the differences indicated in the 1930 scheme should be retained in our scheme of standardization. There had been a discussion of this question before the Bombay Strike Enquiry Committee and the report of that Committee contains, together with the findings, the arguments put forward by both the sides. The representatives of the millowners urged before us that the conditions in the frame department had changed considerably during recent years and the strain involved in some classes of work was much less than before. Mr. Dange, while arguing in favour of the older scale of differentials, admitted that he was not acquainted with the changes that had occurred in this department in recent years. The millowners did not attempt to justify their specific proposals for the frame department as having been based on the results of any special inquiry. We have, therefore, thought it proper not to disturb the mutual relationship existing today between the average wages of the different categories of workers in this department.

We now proceed to comment particularly on those parts of the scheme of standardization which require such comment. We begin with our proposals for the class of doffers and creelers.

CREELERS AND DOFFERS.

In our scheme we have made a distinction between doffers and creelers engaged in the frame, the ring spinning, doubling, and warping departments and the other categories of workers whose earnings are on a low scale. The doffers and creelers are ordinarily looked upon as belonging to what may be termed apprentice occupations. Adolescents seek recruitment to mills in these occupations to learn to handle

machinery and, after they have put in a period of apprenticeship, they are considered eligible for more responsible work such as that of tenters in the frame department, tarwallas or siders in the ring spinning department, or warpers in the warping department. It has been urged that the wages of these workers are low in comparison because they are new-comers to the industry and have to put in a period of apprenticeship. We see the force of this argument and have, therefore, fixed for these occupations an initial wage lower than that for the unskilled workers. However, we cannot ignore the fact that the number of vacancies among tenters, warpers, tarwallas and siders to which the creelers and doffers can aspire is limited and there is no assurance that the higher appointments will always be obtained by apprentices after a certain number of years. Doffers have often to wait for years before becoming siders and there are instances of doffers who have remained in that occupation for years together. The introduction of a system of gradation will meet this point and we, therefore, recommend that the following scale of increments be granted to doffers and creelers in the frame, ring spinning, doubling and warping departments, provided they continue in the service of the same mill in the same occupation in which they were originally recruited:

Re. 1 after completion of two years' service;

Re. 1 additional after completion of three years' service;

Re. 1 additional after completion of four years' service.

In further justification of our proposals we may refer to the common practice in other countries of bringing up the learners' wage by fixed periodic increments to the standard wage. In the majority of these cases, the gradation is based on the worker's age and the increment is related to it. In view of the fact that in our industries the learners are not necessarily juveniles, we have graded the increment in relation to the period of service. The objective in both cases is the same; it is that the employer should not be left in a position to exploit the class of learners in order to depress the standard wage.

RING SPINNING.

The structure of the scheme of rates for siders prepared by us differs from that obtaining at present. The present basis is that contained in the schedule of consolidated minimum wage rates for time workers recommended for adoption by the Millowners' Association, Bombay, in July 1934. The wage rates for siders attending to two sides are on the basis of the scheme adopted by the Association in October 1934. The basis accepted by the employers and labour in the discussions before the Bombay Strike Enquiry Committee was also the same. The framework of the scheme now recommended by us is on the lines of the proposals submitted to us by the Millowners' Association, Bombay. This provides for the wage rate being graded upwards according to the number of spindles looked after by a sider and does away with the distinction that had grown up on the introduction of rationalization between single side and double side working. The basis of the number

of spindles alone has been accepted by us as more satisfactory than the present one. The Millowners' Association proposed. In its scheme, to do away with the existing differential between the wage rates for spinning on warp and weft frames. The representatives of the millowners urged that there should theoretically be no additional strain involved in minding weft frames as compared with minding warp frames, but they were not able to show that the additional strain did not exist in practice. We, therefore, see no justification for abolishing the additional payment for minding weft frames that has always been made in this centre as well as in Ahmedabad. The present scale of additional remuneration is thirteen annas for single siders and Re. 1-1-0 for double siders. We have fixed the allowance at annas eight for weft frames containing 275 spindles or less and at Re. 1 for weft frames having 276 spindles and over. We have graded the rates for the different classes after an examination of figures relating to the number of spindles in the spinning frames in mills in Bombay and after a consideration of the figures of the minimum wages earned by siders on the frames with the most common frequency under the scheme of minimum wages now in operation.

It is necessary at this stage to explain the difference made by our recommendations in the existing relation between the wage of the single sider and the double sider. In the chapter on Rationalization we have explained our general attitude towards the extra payment that is or should be made to workers in order to induce them to mind more machines or to do more work. We have emphasized that it is hardly possible to determine the extent of this payment by any series of objective measurements and that the extra payment cannot necessarily be of the same proportion in all occupations. The extra strain involved on the worker, the extra cost incurred by the employer and the resulting economies are all relevant considerations in determining this proportion. These factors are bound to have different weights attached to them in the process of rationalizing the different processes and occupations. Further, the measurement of the payment to the workers in rationalized occupations in terms of an extra percentage is necessary only for a transitional period and is suited to times when both types of working are concurrent. Conditions in this regard will differ from centre to centre. Thus, while in this Province two-loom working is generally the standard practice, there are centres where the adoption of two looms per weaver may still be looked upon as rationalization. When the rationalized system of work becomes the predominant system, it would be wrong to calculate the wage of the rationalized worker in terms of a proportion on a given basic wage. The wage should then rather be directly calculated in relation to its place in the general scheme of occupational gradation. We are of opinion that this point has been reached in Bombay with regard to the working of double sides in ring spinning. At this centre the number of double siders is today somewhat greater than that of single siders and of the total number of ring spinning frames more than two-thirds are looked after by double siders. It has

further to be remembered that all the frames in mills in Bombay cannot possibly be worked by double siders. Though there is no agreement on the exact point, it is admitted in all quarters that below a given count, a sider cannot mind two sides under existing conditions. The majority of the single siders in Bombay today mind only one side not because they are incapable of minding or are unwilling to mind two sides but because the frames on which they work spin counts so coarse that double side working becomes impossible. By implication the work of the average single sider in Bombay is not really much easier than that of the double sider. In these circumstances while determining the standard wage rates for ring spinning we did not think it appropriate to start by fixing the wage rate for the single sider but thought it proper to begin with the wage of the double sider. We fixed the standard wage of the double sider, following our usual procedure, at about the level of his actual average earning today. For doing this, the information available to us was, unfortunately, not detailed enough. The 1937 sample wage inquiry recorded the information for the whole class of double siders and did not differentiate between them according to numbers of spindles minded. It thus yielded an average wage for the entire class of double siders and we had to determine the likely composition of this average in relation to the different sub-classes. We attempted this task in the light of information, specially called for, of the number of frames installed in mills in Bombay classified according to the number of spindles contained in them.[1] Our calculations could, of course, be only approximate in view of the fact that the information was not exhaustive and further that it was not possible to say that a given number of frames with a given number of spindles contained in them were worked on either the single or the double side system. Having fixed the wage of the double sider, we proceeded to determine what the single sider should get in relation to the earnings of the double sider and the unskilled worker and in view of what he earned today. The smaller difference in the percentage between the wage of the single sider and that of the double sider which we have fixed has been arrived at not by calculating how much more the double sider should get than the single sider but how much less the single sider should get than the double sider. Looking specially to the fact that in Bombay the single sider works mostly on frames spinning coarse counts, we do not think that the difference between the remuneration of these two classes of workers should be greater than that provided for by us. In this connection a point may well be raised whether in equity a special allowance is not called for in respect of those ring siders who mind frames spinning very coarse counts. In Lancashire, where siders are paid on piece rates, the rates are graded steeply below a certain point in favour of those working on coarser counts. Members of the Technical Sub-Committee of the Millowners' Association, Bombay, with whom we discussed the scheme of standardization, agreed that the claim had logical validity but pointed out that the margins in the coarse count

[1] We may note that a similar difficulty was met with in dealing with wages in some other occupations such as frame tenters and that this was dealt with in a similar manner.

trade were already very small and that the trade could not bear an increase of this character. We mention the point not in order to recommend the introduction of a difference which does not exist today and for which no demand has been voiced, but as a further justification for narrowing the margin between the payments to be made to the single and the double siders.

A fear may be entertained in some quarters that our treatment of this question may encourage employers in other centres to cut down the extra payment made to double siders. We have explained the procedure followed by us in this matter at some length in order to obviate the danger of our recommendations being interpreted in this manner. The considerations that we have set out above do not apply to a centre where rationalization in spinning has yet to begin or is in its early stages. They apply only where the rationalized system is the dominant system. Further, our recommendations are not to be interpreted as justifying a cut in the extra payment made to the double sider over the wage of the single sider. What we wish to emphasize is that where single side working is mostly on coarser counts the deduction allowed for it from the standard wage for the double sider—arrived at by independent considerations—should not be considerable.

PIECE WORK OCCUPATIONS OTHER THAN WEAVING.

The Millowners' Association, Bombay, did not propose any standardized piece work rates for the drawing and frame, winding and warping departments. They proposed, instead, standard levels of earnings for piece workers in these departments and suggested that individual mills should be permitted to fix piece rates for themselves so as to yield these earnings to their workers. The conditions of equipment and working in these departments, it was said, were so different from mill to mill that it would not be possible to have one set of standard piece rates applicable to all mills. It was further pointed out that in some departments, for example, the frame department, the conditions were also undergoing a rapid change. In view of these considerations, we have proposed for piece workers in these departments standard earnings on the basis of which piece rates would be worked out by individual mills. Further, we were not able to examine in sufficient detail the standard piece-work rates proposed by the Association for the reeling and the drawing-in departments. We have, therefore, put forward our proposals in respect of these departments in the form of standard levels of earnings on the basis of which piece-work rates should be worked out later. We recommend that the work of the preparation of piece-work rates for all these departments should be done by the Standardization Committee which should be set up as proposed by us in a subsequent paragraph. The structure of piece work rates prepared by the Standardization Committee for the various departments will have to be the same for all the mills. The Committee may, however, allow variations in piece rates if it is satisfied that particular circumstances warrant such variations, provided, of course, that in each case the piece rates prescribed yield the standard levels of earnings fixed by us.

REELING AND WINDING.

We found considerable difficulty in fixing the standard earnings for working out the piece rates in reeling and winding. The figures of actual earnings are not of much help in this connection, because the number of workers in these departments today is said to exceed greatly the needs of the departments. The actual average earnings of the individual worker do not, therefore, reflect the earnings for a full day's work. In working out standard piece rates, it is, however, necessary to adopt the basis of earnings for a full day's work. We have based our recommendations in this behalf on information regarding earnings in mills and centres where workers in these departments are kept fully occupied and on considerations regarding the position which women process workers should occupy in relation to the other categories of workers, such as men and women unskilled workers. We understand that in a number of concerns in Bombay the piece rates ruling in these departments would yield, for a full day's work, earnings substantially higher than those proposed by us as basic standard wages.

Even more difficult is the problem of dealing with the excess number of women in these departments in many mills. This excess, we have been informed, is due to two different sets of circumstances. In the first instance, the variations from month to month of work available for a department lead to variations in the numbers of workers required and hence to the maintenance by mills of a labour force somewhat in excess of average requirements. Secondly, it is said that through course of time the excess number has been suffered to grow and that it has been found difficult to reduce it as the workers are themselves willing to share work and are opposed to a reduction. While realizing fully the difficulties in the way of reducing this excess of workers, we are of opinion that a large permanent excess is in the interest neither of workers nor of employers and that steps should be taken immediately to reduce it. We realize that action cannot be very repid, but we also feel that no effective action may be taken if some continuous pressure from without is not exercised. We recommend that the Standardization Committee should ascertain the extent of this excess in individual mills and should devise means so that it is eliminated within a period of two years. We have provided that the Standardization Committee should see that the actual earnings of piece workers in departments for which standard piece rates have not been fixed by us come up to the standards of earnings laid down by us. It would not be possible to treat reeling and winding in the same manner. Standardization would at the same time be futile and the problems of these departments would still remain unsolved if nothing was done. We, therefore, propose, as a transitional measure, the introduction of a guaranteed time rate for workers in these departments similar to that provided by the British Trade Boards. We recommend that a guaranteed time rate of annas eleven per day for reelers and grey winders and of annas twelve per day for high speed, pirn and colour winders should be prescribed and workers in these departments whose piece work earnings for a pay-period fall below the earnings calculated according to this guaranteed time rate should be

paid according to the time rate. We consider this provision absolutely essential in order to provide for minimum earnings to workers for the time spent by them in the factory.

SIZING AND DRAWING-IN.

It is the common practice in Bombay for the wages of back sizers to be fixed at half those of front sizers and for reachers to get half the wages of drawers-in. In the scheme recommended by us, it will be seen that these proportions have been altered. The back sizer, according to us, will receive 55 per cent. of the wages of the front sizer instead of half, and similarly the reacher will receive 60 per cent. of the wages of the drawer-in. The relations between the wages of workers in these two groups of occupations were altered by the fact that, according to the sliding scale of increments recommended in our Interim Report, the front sizers and the drawers-in received increases in their wages on a lower scale than the back sizers and the reachers respectively. We do not recommend reversion to the old proportion. For the reacher we recommend a standard earning of Rs. 27. Looking to the difficult nature of the work of the reacher and the fact that in several centres he gets more than half the wages of the drawer-in, we recommend that the proportion should be raised in Bombay from 50 per cent. to 60 per cent.

WEAVING.

The calculation of the wage of a weaver is a much more complicated process than the calculation of any other piece work wage. This is inevitable in view of the necessity of adapting the structure of rates to the requirements of the hundreds of varieties of cloth woven in the loom sheds. The structure of the weaving piece rate—or price list as it is called in Lancashire—is composed of two parts. The first defines the standard basic rate and the second lays down a number of allowances. The standard basic rate denotes the wage to be paid in respect of plain cloth of a given standard composition woven on a loom of a standard width. The scale of allowances indicates the measurement of the changes to be made in the standard rate for a large variety of departures from the standard composition of cloth, such as those in respect of width of looms, quality of weft or warp, the number of reeds and picks per inch, the use of coloured or artificial silk yarn, drop box, dobby or jacquard work, borders and headings, etc. The weaving list submitted by the Millowners' Association, Bombay, to the Bombay Strike Enquiry Committee expressed the standard rate in terms of pies per square yard. In their scheme of standardization the Ahmedabad Millowners' Association and the Textile Labour Association, Ahmedabad, have, however, adopted a simpler standard. This standard rate which is similar to the standard of the Lancashire price list is expressed in terms of price per pick. The width of the cloth, under the Ahmedabad standard, is supposed to hold a definite relation to the width of loom and no separate calculation, other than the variation consequent upon the

difference in loom widths, is made in respect of it. The Millowners' Association, Bombay, in its scheme of standardization submitted to us, adopted the basis of the Ahmedabad standard rate.

The standard adopted for the basic rate in the weaving standardization scheme presented by the Association aimed at an earning of Rs. 35 on two looms of 44" width on plain cloth. We were not sure that this standard would yield to weavers the earnings obtained by them today. The standard for the basic rates adopted in Ahmedabad is somewhat higher, being about four per cent. above the Bombay standard for most widths of looms. We understand that the Association would not object to adopting the Ahmedabad standard and we recommend its adoption except for looms 80", 90" and 100" wide for which we retain the original rates proposed by the Millowners' Association, Bombay. While the Millowners' Association, Bombay, has adopted for the calculation of its standard basic rate the new method evolved in Ahmedabad, it retains for its scheme of allowances the structure framed at the time of the Bombay Strike Enquiry Committee. This structure differs in some particulars from that at present obtaining at Ahmedabad. We do not, however, recommend the adoption in Bombay of the Ahmedabad scheme of allowances and have incorporated the Bombay scheme, with a few minor changes, in our recommendations. While approving in a general manner the structure of the scheme of allowances, we cannot give a definite opinion on the scales of the individual allowances. In our opinion, these scales should not be finally fixed until the scheme has been in operation for some time. We, therefore, recommend that, while payment of wages to weavers according to the scheme should begin immediately on the adoption of standardized rates by the industry in Bombay, the Standardization Committee should watch the results of the working of the scheme and study the yield in practice on the different types of cloth and compare them with actual earnings and differentials obtaining today. We emphasize this point as many allowances in the present scheme are lower than those incorporated in the Association's scheme of 1930. It is said that the quality of artificial silk and coloured yarn has so improved today that it is unnecessary to pay the allowances proposed in 1928-30. It is further said that lower allowances for dobby work, for borders and headings of dhotees and sarees, for drills, etc., are justified by the greater skill which the Bombay workers have now acquired in the production of these cloths and also by the increased technical efficiency of the looms. We found that some allowances, as for example the allowance for pick finding, were also much lower than those paid in Lancashire. In respect of these differences it was pointed out that the Lancashire scheme of allowances was based on a four-loom system and that the sheer physical limitations of four-loom work rendered necessary a much higher scale of particular allowances. The validity of all these arguments and the justification for the particular reductions can be tested only by watching the working out of the scheme over a period of time. There is, however, one point arising out of the last argument to which we may draw attention. It is that the Bombay scheme of

allowances being based on two-loom working it would, *per contra*, be not appropriate in particular cases to three-loom, four-loom or six-loom systems. The Bombay Strike Enquiry Committee had differentiated between a two-loom system and more-loom systems in the case only of the allowance for two-beam sorts. We have reintroduced that differentiation in our scheme. In other cases no differentiation was made, but the number of three-loom, four-loom and six-loom workers was comparatively small at the time the Bombay Strike Enquiry Committee held its deliberations and, further, most of the allowances were placed at a higher level by that Committee. We recommend that the Standardization Committee should consider whether it would be necessary to revise the scale of allowances when applied to systems of working other than the two-loom system.

RATIONALIZED OCCUPATIONS.

In framing our proposals we have taken account of the increased earnings that should accrue to workers in return for the increase in the number of machines to be attended to by them with the introduction of efficiency measures. We have allowed for such increases as have seemed to us appropriate for particular occupations. With the development of efficiency measures, it may be found that, in respect of certain occupations, in the absence of specific proposals either from the employers or from labour, no provision has been made in the scheme as prepared by us. To meet all such cases, we recommend that it should be one of the functions of the Standardization Committee to examine the position and to fix suitable standard rates for workers on efficiency schemes not covered by our recommendations.

JOBBERS.

Although the scheme submitted to us by the Association contained proposals for the standardization of the wages of certain classes of jobbers, we have thought it desirable to refrain from making any recommendations in that behalf. The responsibilities attaching to the work of the jobbers differ from unit to unit. For this reason, we have kept out of the purview of the scheme drawn up by us all workers engaged in a supervisory capacity. We may add that although rates for jobbers were included in the scheme which was approved of by the Bombay Strike Enquiry Committee, a note was attached to the effect that the figures relating to head jobbers were shown in the list only for purposes of guidance.

STANDARDIZATION COMMITTEE.

We recommend that Government should appoint, as early as possible after the scheme of standardization of wages is brought into operation, a Standardization Committee for Bombay for the purpose of attending to the working out of the details of the scheme, watching its operation and making suitable adjustments in it. Apart from these three main functions, it will be the duty of the Committee to examine particularly the working of the scheme of allowances in weaving rates as now provisionally approved of by us and to make suitable changes six months

after the coming into operation of the scheme, in the light of the comments that we have offered and of the experience gained of the effect on actual earnings of the scales of allowances. Another function of the Committee will be to examine and approve or revise piece-work rates for the speed frame, reeling, winding, warping and drawing-in departments. The following should be the procedure to be adopted in this behalf:

(1) A type standard should be set up for an average mill.

(2) A departure from the type standard should be made only in ascertained special circumstances.

(3) Monthly compilations of departmental earnings, average and individual, should be obtained and scrutinized.

(4) The payment of the guaranteed time rates for piece workers, wherever recommended, should be enforced.

(5) The rates for piece-work occupations initially approved by the Committee should be made final on expiry of a period of six months from the date of their adoption, after examination of the results in the shape of actual earnings.

The Standardization Committee should consist of seven members to be appointed by Government—an independent chairman and three representatives each of employers and workers. The appointment of these representatives should be made by Government after consulting the Millowners' Association, Bombay, the Bombay Provincial Trade Union Congress and unions of cotton textile workers in Bombay registered under the Indian Trade Unions Act, 1926.

Matters relating to schemes of standardization of wages should, we recommend, be excluded from the purview of the Bombay Industrial Disputes Act, 1938.

PERIOD OF ADJUSTMENT.

We realize that in particular cases the adjustments in wage rates consequent upon the introduction of the scheme of standardization recommended by us may be considerable in extent. In some mills workers may suffer cuts in their wages while in others the employers may have to bear a substantial increase in the total wage bill. It would be a hardship to both the employers and the workers to have these changes enforced suddenly. A period of transition must be prescribed during which the adjustments may be made gradually. A period of six months will, in our opinion, be appropriate for the purpose.

TRADE BOARD TO DEAL WITH STANDARDIZATION.

The Standardization Committee which we recommend will be an *ad hoc* committee set up to supervise the launching of the scheme of standardization and to fix finally certain details in connection with it,

We have suggested six months as the period allowed to mills for making adjustments, before they are asked to pay the standard rates; that will also be the period during which the Standardization Committee will be engaged in studying the operation of the scheme, especially in connection with weaving, and in framing a scheme of piece-work rates for occupations for which we have recommended only figures of standard earnings. It is difficult to estimate accurately the time that may be required by the Committee for completing its work. The Committee, in any case, will not be a permanent body. Demands for particular or general changes in the scheme of standardization may, however, be made any time by either side and it will be necessary to provide some permanent machinery which can suitably deal with them. It will be undesirable to have each such demand for change, or dispute in respect of it, taken through the stages provided by the Bombay Industrial Disputes Act.

The Bombay Strike Enquiry Committee had approved of a set of mediation rules under which it contemplated that all disputes regarding the standardization scheme would be settled. The operation of these mediation rules was, however, based on the existence of collective bargaining between capital and labour. Changes in the schemes of standardization in Lancashire are also brought about by collective bargaining under the Brooklands Agreement. Such collective bargaining is altogether absent in Bombay today and our experience in the discussions regarding the scheme of standardization does not lead us to hope that it can be established in the immediate future. We have recommended in Chapters IV and VIII the establishment of two bodies to deal with certain questions. The first is the Trade Board which will be entrusted with the task of framing minimum rates of wages for all centres in the industry and the second is the Rationalization Committee. We do not think that it would be advisable to have an additional body to deal with disputes concerning standardization. We are of opinion that, in view of the suggested composition of the Trade Board and the questions which it will handle, it can appropriately deal with schemes of standardization as well. The Trade Board will be constantly dealing with questions regarding the general level of wages and occupational differentials; it will have knowledge about conditions in all centres of the industry and it will be composed mainly of representatives of both sides. We, therefore, recommend that disputes and demands for changes regarding standardization in all centres—except where the scheme operates under an agreement for collective bargaining —should be referred to the Trade Board. The decisions of the Trade Board in this matter cannot, of course, be made legally binding in the manner in which its recommendations regarding minimum wage rates would be. We recommend that the procedure to be adopted by the Trade Board with regard to standardized rates should be similar to the one we have recommended should be adopted by the Rationalization Committee. On any matter concerning standardization on which the Trade Board is unanimous the decision of the Board should be legally binding on the two parties; where, however, unanimity cannot be obtained, the differing reports of the Board should be published and

the parties should then be free to refer the dispute, by agreement, to the Industrial Court, or to arrive at an agreement on any other basis, or to resort, if they choose, to a strike or to a lock-out before arriving at a settlement.

STANDARDIZATION FOR CENTRES AND REGIONS OTHER THAN BOMBAY.

We have already indicated our opinion that it is difficult to undertake the standardization of wage rates in centres or regions where the disparities in wage payments from unit to unit are very large. These difficulties become almost insurmountable when no agreement can be brought about between capital and labour regarding the general principles on which schemes of standardization should be built. We were confronted with these difficulties when considering the question of the standardization of wage rates for centres other than Bombay. As indicated above, we had before us draft schemes of standardization for Sholapur and Khandesh, to which we gave consideration. No such draft schemes were received for any other region. Even though it was not possible for us to get the two sides together to discuss the scheme of standardization in Bombay, we were, while framing the scheme for that centre, helped greatly by the agreed scheme approved of by the Bombay Strike Enquiry Committee and by the fact that a minimum wage schedule had been in operation in mills in Bombay for the larger body of time workers since 1934. This made our task in preparing the scheme comparatively easy. No records of any former discussions or agreements were available either for Sholapur or for Khandesh and no regulation had been in operation in these regions tending to bring about a uniformity in the level of wage rates paid by the different units. A further important consideration is that the wages paid to some of the lowest paid categories of workers are today very low in both these regions. There is here an obvious need for the adjustment of the differentials between the various occupations. All the necessary changes and adjustments cannot be effected in one stage. We, therefore, recommend that in centres and regions other than Ahmedabad and Bombay no attempt should be made at present to standardize wage rates, but that minimum wage regulation through the Trade Board should be enforced immediately in these centres or regions. We recommend that, after some experience has been gained of the working of minimum wage rates, the Trade Board should attempt the framing of schemes of standardization for these centres and regions, beginning with Sholapur and Khandesh. In this manner, wage rates in the textile industry may, we hope, be standardized, in due course, throughout the Province.

LIST OF STANDARDIZED WAGES FOR COTTON MILLS IN BOMBAY.

TIME WORKERS

	Standard Wages. (26 days per month.) Rs. a. p.	
Occupations common to various Departments :		
Departmental Oilers	29 8 0	
Shafting Oilers, Oilers and Banders ..	31 0 0	
Mochees	29 0 0	
Tare Pickers, Bardan Pickers, Waste Pickers	24 0 0	Men.
	20 0 0	Women.
Sweepers	24 0 0	Men.
	20 0 0	Women.
Hoistmen	27 8 0	
Coolies	25 0 0	
Mixing Room :		
Navganies or Bale Stackers	29 8 0	
Bale Breaker Attendants	28 8 0	
Mixing Spreaders, Mixing Breakers ..	25 0 0	
Blow Room :		
Hopper Feeders, Lattice Feeders, Hand Feeders	26 0 0	
Exhaust Openers, Exhaust and Lap Machinemen, Crichton Openers	27 0 0	
Breaker Scutchermen, Inter Scutchermen, Finisher Scutchermen	27 0 0	
2 Breaker Scutchermen, 2 Inter Scutchermen, 2 Finisher Scutchermen ..	34 0 0	
Thread Extractors	25 0 0	
Willowmen	25 0 0	
Dust Carriers, Dust Coolies, Dropping Carriers	25 0 0	
Hard Waste Machinemen, Cop Breakers, Roving End Breakers	25 0 0	
Card Room :		
Lap Carriers	26 0 0	
Fly Gatherers	25 0 0	
Can Boys and/or Card Tenters	25 0 0	
Grinders and/or Strippers	28 0 0	
Strippers and Grinders—Efficiency System ..	32 0 0	
Flat Grinders	30 0 0	

	Standard Wages. (26 days per month.) Rs. a. p.
Frame Department :	
Creelers or Doffer Boys	22 0 0
Bobbin Carriers and Bobbin Coolies ..	25 0 0
Ring Spinning and Doubling Departments :	
Tarwallas, Followers, Gaiters	26 0 0
Doffer Boys	22 0 0
Bobbin Carriers, Bobbin Coolies, Doff Carriers, Doff Coolies, Scale Coolies ..	25 0 0
Ring Siders attending Warp Frames :	
Up to and including 200 spindles ..	26 0 0
201 to 225 spindles	26 12 0
226 to 250 spindles	27 8 0
251 to 275 spindles	29 0 0
276 to 300 spindles	30 8 0
301 to 350 spindles	32 0 0
351 to 400 spindles	33 8 0
401 to 450 spindles	35 0 0
451 to 500 spindles	36 8 0
501 spindles and over	38 0 0
Note : For weft frames an allowance of eight annas up to 275 spindles and Re. 1 for 276 spindles and over to be paid.	
Yarn Bundling Department :	
Weighers	30 0 0
Knotters	32 0 0
Pressers or Bundlers	34 0 0
Wrappers	26 0 0
Labellers	25 0 0
Bundle Boys	25 0 0
Carding, Spinning (Miscellaneous) and Line Levelling Departments :	
Rope Splicers	35 0 0
Ticket Boys, Number Markers, Wrapping Boys	25 0 0
Fitter Coolies	25 0 0
Head Roller Coverers	36 0 0
Assistant Roller Coverers	31 0 0
Tubular and Cone Banding Machinemen ..	28 0 0

	Standard Wages. (26 days per month.) Rs. a. p.	
Winding and Warping Departments :		
Number Markers	25 0 0	
Bobbin Carriers	25 0 0	
Beam Carriers	30 0 0	
Creelers or Creel Boys	22 0 0	
Sizing Department :		
Beam Carriers	30 0 0	
Head Size Mixers	35 0 0	
Assistant Size Mixers	28 0 0	
Front Sizers	70 0 0	
Back Sizers	38 8 0	
Drawing-in or Beaming Department :		
Beam Carriers	30 0 0	
Heald Cleaners and Repairers	29 8 0	
Reed Repairers	29 8 0	
Weaving (Miscellaneous) and Line Levelling Departments :		
Beam Carriers	30 0 0	
Weft Muccadams	31 0 0	
Weft Coolies or Weft Carriers	25 0 0	
Loom Cleaners and Oilers	25 0 0	
Line Levelling Coolies	25 0 0	
Warehouse, Calendering, Finishing and Folding Departments :		
Head Cutlookers	42 0 0	
Cutlookers	35 0 0	
Stitchers and Sewers	25 0 0	Men.
	22 0 0	Women
Damping men or Coolies	25 0 0	
Front Calendermen	29 0 0	
Back Calendermen	27 0 0	
Finishers	27 0 0	
Front Machine Folders	27 0 0	
Back Machine Folders	26 0 0	
Hand or Table Folders	27 0 0	
Head Stampers	36 0 0	

	Standard Wages. (26 days per month.) Rs. a. p.
Warehouse, Calendering, Finishing and Folding Departments—contd.	
Assistant Stampers	28 0 0
Ticket Appliers and Bundlers	25 0 0
Bundle Carriers or Cloth Coolies ..	25 0 0
Piece Checkers, Sorters and Measurers ..	30 0 0
Scale Boys	27 0 0
Number Markers	26 0 0
Tally Boys	25 0 0
Cloth and Yarn Baling Department :	
Bale Markers	29 0 0
Hoop Men or Hoop Cutters	25 0 0
Navganies, Bale Stackers and Bale Coolies .	29 0 0

PIECE WORKERS.

Frame Tenters :

Piece rates to be so fixed as to yield to a full-time worker the following average earnings for a month of 26 working days :

	Rs. a. p.
Drawing—	
Single	29 8 0
Two Men per three heads	33 0 0
Slubbing—	
72 to 76 spindles	31 0 0
78 to 82 spindles	31 8 0
84 to 88 spindles	32 0 0
90 to 94 spindles	32 8 0
96 spindles and over	33 0 0
Intermediate—	
100 to 108 spindles	28 0 0
110 to 118 spindles	28 10 0
120 to 128 spindles	29 4 0
130 to 138 spindles	29 14 0
140 spindles and over	30 8 0

	Standard Wages. (26 days per month.) Rs. a. p.	
Frame Tenters—contd.		
Roving—		
128 to 142 spindles	27 0 0	Plus 33 per cent. for working two frames.
144 to 156 spindles	27 12 0	
158 to 170 spindles	28 8 0	
172 to 184 spindles	29 4 0	
186 spindles and over	30 0 0	

Hand Reelers :

The piece rates to be fixed in such a way as to yield to a reeler an average earning of Rs. 23 per month of 26 days of full-time work.

Winders :

The piece rates to be so fixed as to yield to a winder the following average earnings per month of 26 days of full-time work :

	Rs. a. p.
Grey Winding	23 0 0
Grey Winding on High Speed Machines and Pirn Winding	24 0 0
Colour and Artificial Silk Winding ..	25 0 0

Note : These earnings will apply only to non-rationalized departments.

Warpers :

The piece rates to be so fixed as to yield to a full-time warper the following average earnings per month of 26 working days :

	Rs. a. p.
Warper minding Single Machine ..	48 0 0
High Speed Warper	60 0 0

Note : Where the two machines per man system is worked, the rates to be 70 per cent. of the single machine rates.

Drawers-in :

Piece rates to be so fixed as to yield to a full-time drawer-in an average earning of Rs. 45 per month of 26 working days and 60 per cent. of these rates (that is, an average earning of Rs. 27 per month of 26 working days) to a reacher.

Weavers :

THE BASIS—PLAIN CLOTH—GREY.

Basic Rate.—The standard adopted is 23 pies for weaving ten yards on a 44″ loom at 10 picks in a quarter of an inch.

Deductions to be made for looms with a lesser reed space : 1¼ per cent. to be deducted per inch below 44″ up to 32″. For looms from 32″ to 25″, the deduction will be made in the following manner : 1¼ per cent. to be deducted from 44″ up to 32″ and below 32″ the rate of deduction to be 1 per cent. per inch. For looms below 25″, no deduction to be made and on such a loom, the rate for 25″ to be given.

Allowances for looms with a greater reed space : For looms above 44″, the allowances to be calculated as follows : 1½ per cent. per inch from 44″ to 50″; an additional allowance of 2¼ per cent. per inch for 51″ and 52″ ; and a further addition of 2½ per cent. per inch from 53″ to 79″.

BASIC RATES FOR MAIN LOOM WIDTHS.

Looms.	Rates in Pies.
28″	18·63
30″	19·09
32″	19·55
34″	20·125
36″	20·70
38″	21·275
40″	21·85
42″	22·425
44″	23·00
45″	23·345
46″	23·69
47″	24·035
48″	24·38
50″	25·07
52″	26·105
54″	27·255
56″	28·405
58″	29·555
60″	30·705
62″	31·855
64″	33·005
66″	34·155
70″	36·455

For 80″, 90″ and 100″ looms the rates to be as indicated below :

80″ looms	43·34 pies.
90″ ,,	51·18 ,,
100″ ,,	60·91 ,,

Notes :

(1) The term "Plain Cloth—Grey" for the purposes of this list includes cloth containing up to 16 ends of colour in the body, and cloth containing no colour except in the selvedges. The term also includes cloths of twill weave woven on a tappet loom on not more than 4 shafts, but excludes drills.

Payment for any cloth narrower than 56″ to be on appropriate loom width which will be taken as cloth width in grey state plus 10 per cent. Fractions of an inch to be taken as the next higher inch.

For cloth 56″ wide and over, the rate for the loom on which it is actually woven to be paid.

(2) The rates to be paid when the three, four or six-loom system is adopted to be:

Three-Loom System ..	.. Five-sixths of the Standard Rates.
Four-Loom System ..	.. Three-fourths of the Standard Rates.
Six-Loom System ..	.. Two-thirds of the Standard Rates.

(3) This standard does not apply to automatic looms.

ALLOWANCES.

Weft:

Counts.	Up to 5½″ Lift.			6″ Lift.			Over 6″ Lift and Universal Pirns.		
	Below 42″ Loom.	42″ and below 52″.	52″ and over.	Below 42″ Loom.	42″ and below 52″.	52″ and over.	Below 42″ Loom.	42″ and below 52″.	52″ and over.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
3s and below ..	..	..	..	..	..	..	30	35	40
4s ..	..	..	..	32	37	42	25	30	34
5s ..	..	..	..	26	31	36	20	24	29
6s ..	33	38	43	22	27	32	16	20	24
7s ..	28	33	38	18	23	28	12	16	20
8s ..	23	28	33	14	19	24	9	13	17
9s ..	18	23	28	11	16	21	6	10	14
10s ..	13	18	23	8	13	18	4	8	12
11s ..	9	14	19	5	10	15	3	7	10
12s ..	6	11	16	3	8	13	2	6	9
13s ..	4	8	12	2	5	9	..	3	6
14s ..	3	7	9	..	2	6	..	..	4
15s ..	2	5	7	..	..	3	..	..	2
16s ..	..	3	5	..	..	..	..	..	..
17s ..	..	..	3	..	..	..	..	..	..

Notes:

Dosuti Weft: i.e., rewound 2 ends up, count to be calculated as resultant count, e.g., if 16s Dosuti weft on Universal Pirns is used, allowance to be as for 8s in appropriate universal column.

Folded Weft: count to be treated as resultant count plus 2 counts, e.g., 2/16s would have the allowance applicable to 10s single yarn; 3/30s would have the allowance applicable to 12s single yarn. If two different counts of weft are used in a check loom, the allowance applicable would be the allowance applicable to the weighted average of the two columns used: e.g., if the checking was 8 picks of 20s and 24 picks of 8s, the allowance payable would be the allowance appropriate to 11s single yarn.

8 picks of 20s = 160

24 ,, ,, 8s = 192

352 divided by 32

Average count—11s.

Reed:

Counts of Warp.	Standard.	
	Ends per inch in reed permissible without allowance in 2 per dent sorts. (1)	Ends per inch permissible without allowance in Drills, Sateens and Ducks woven 3 or more ends per dent. (2)
Up to and including 8s	36	54
Above 8s and up to and including 12s ..	40	60
,, 12s ,, ,, 14s ..	44	66
,, 14s ,, ,, 18s ..	48	72
,, 18s ,, ,, 22s ..	52	78
,, 22s ,, ,, 26s ..	56	84
,, 26s ,, ,, 30s ..	60	90
,, 30s ,, ,, 40s ..	68	102
,, 40s ,, ,, 50s ..	72	108
Above 50s	80	120

In the case of cloths woven two ends per dent, an allowance of 1 per cent. to be given for every 2 ends in excess of the figures given in column (1).

In the case of drills woven 3 ends in a dent, an allowance of 1 per cent. to be given for every 3 ends in excess of the figures given in column (2).

If a drill is woven 4 or 5 ends in a dent, an allowance of 1 per cent. to be given for every 4 or 5 ends in excess of the figures given in column (2).

When plain cloth is woven 4 ends in a dent, the permissible ends per inch in reed would be as in column (1), i.e. if a cloth is woven in a 36" reed, 4 in a dent, the allowance would be calculated as if there were 72 reed, 2 in a dent.

High Pick:

For plain and stave work cloths, allowances to be given as under:

	35s weft and under.	Above 35s weft.		Allowance.
Picks per inch ..	61 to 64	73 to 76	Add	1%
	65 to 68	77 to 80		2%
	69 to 72	81 to 84		3%
	73 to 76	85 to 88		4%
	77 to 80	89 to 92		5%
	81 to 84	93 to 96		6%
	85 to 88	97 to 100		7%
	89 to 92	101 to 104		8%
	93 to 96	105 to 108		9%
	97 to 100	109 to 112		10%
	101 to 104	113 to 116		11%
	105 to 108	117 to 120		12%
	109 to 112	121 to 124		13%
	113 to 116	125 to 128		14%
	117 to 120	129 to 132		15%

Note: In the case of twills, drills and weft faced sateens, half the above allowances to be given.

Fine Warp :

41s to 50s	4%
51s to 60s	6%
61s to 80s	8%
80s and over	10%

Colour and Artificial Silk Warp :

	Colour allowance.
Up to and including 25%	5%
26% to 50%	10%
51% to 100%	15%

	Art. Silk Allowance (single).
Up to and including 15%	5%
16% to 25%	10%
26% to 50%	15%
51% to 75%	25%
76% to 100%	35%

Where single colour and single artificial silk are both used in warp, the percentage of colour and artificial silk to be taken out separately and the appropriate allowance for each to be given.

For doubled coloured yarn, half the single colour allowance to be given.

When two-fold artificial silk is used, or when artificial silk is doubled with cotton yarn, the allowance to be given as per the colour and not as per the artificial silk scale.

No allowance to be given for less than 17 ends of colour or artificial silk in the warp or when colour is used only in selvedges.

The above allowances are not payable for colour or artificial silk in the borders or patchas of dhotees and sarees.

Artificial Silk Weft :

Artificial Silk Weft	5%

Note: This allowance is only to be given in single shuttle sorts. It is not to be given in drop box sorts.

Drop Box :

	Shuttles.		
	2	3	4
Up to 40″	30%	35%	40%
41″ to 50″	25%	30%	35%
51″ to 60″	20%	25%	30%
61″ to 72″	15%	20%	25%
73″ and over	10%	15%	20%

When one-shuttle sorts are woven in drop box looms, the allowances in the left hand column less 10 per cent. to be given ; e.g., for a plain cloth woven in a 40" drop box loom, the allowance to be 20 per cent.

Dobby Shaft Work in Ground :

1 to 6 staves	4%
For each additional stave, add	1%

The above allowances are not to be given for patcha stripes or skirt bordered dhotees which are provided for separately.

Cumber-Board work in Dhotees and Sarees of all sorts including Patcha Stripes and Skirt Borders :

From 1 to 8 Jacks	4%
From 9 to 16 Jacks	6%
From 17 to 24 Jacks	9%
From 25 to 32 Jacks	12%
From 33 to 40 Jacks	15%

Jacquard Borders :

100 hook Jacquard	15%
200 hook Jacquard	20%
400 hook Jacquard	30%

In dhotee and saree sorts, which have shaft work in the ground and dobby cumber-board work in the border, the total shaft allowance to be the sum of the appropriate shaft and cumber-board allowances ; e.g., a saree with a dobby pattern on 10 shafts in the ground, and a fancy border requiring 10 jacks.

The total allowance would be as under :

10 shafts in ground	8% allowance.
10 jacks in border	6% allowance.
Total ..	14% allowance.

In saree cloths in which there is a Jacquard ground and a Jacquard border, the allowance to be paid according to allowances for Jacquard all-over styles. No separate allowance to be payable for Jacquard borders in such cloths.

Borders of Dhotees and Sarees :

		Dhotees with patcha stripes.
For a border on each side :		
Up to $\frac{5}{8}$"	2%	2½%
Over $\frac{5}{8}$" to 1¼"	4%	5%
Over 1¼" to 1¾"	6%	7½%
Over 1¾" to 2½"	8%	10%
Over 2½" to 3½"	12%	15%
Over 3½"	15%	17%

Note: The above allowances are additional to any allowances for cumber-board work.

Headings in Short Length Sorts :

(The allowance to be calculated for the length per pair, except for sarees, where it will be per piece.)

1% for 10 yards.
2% for 9 ,,
3% for 8 ,,
4½% for 7 ,,
6% for 6 ,,
7½% for 5 ,,
9% for 4 ,,
11% for 3 ,,
13% for 2 ,,
15% for 1 yard.

For Cholas with 4 headings per pair :
2% for Chola heading in addition to above
(e.g.) Chola 8 yards long :
2% allowance for Chola heading, *plus*
3% as per list—Total : 5%.

Additional Shuttle Changes for Headings in Sarees and Dhotees :

Up to 8 shuttle changes per heading (average)	Nil.
9 to 15 shuttle changes per heading (average)	2%
16 to 20 shuttle changes per heading (average)	4%

Over 20 shuttle changes, add 1% for every 5 changes.

The allowances to be given by adding together the shuttle changes in each heading in the saree and dividing by 2.

Splits:

Add 3 per cent. for first cut split.

Add 1½ per cent. for each additional cut split.

Pick Finding:

Where pick finding is insisted upon, 2 per cent. in cloths woven in widths 84 ends per inch and below and 4 per cent. in cloths woven finer than 84 ends per inch.

Drills:

2 per cent. for drill woven with 84 ends per inch and below.

4 per cent. for drill woven with more than 84 ends per inch.

Crammed Stripes:

No allowance to be paid for yarn extra dented in the reed unless the average ends per inch in the cloth are high enough to come within the fine reed allowance, which will then apply.

Double Drawn Warps:

Double drawn warps (Dosuti) to be treated as an increase in reed of 12½ per cent., e.g., 16s warp Dosuti in 48 reed would be treated as 54 reed and have 3 per cent. allowance added as per list.

Mixed Denting:

Average reed to be taken for allowance.

Example: Total number of ends, say, 2,200 divided by reed space, say, 28″ = 78 reed with 24s warp would have an allowance of 11 per cent. added.

Two-Beam Sorts:

Allowance of 2½ per cent.

Allowance of 5 per cent. when more than two looms are worked.

CHAPTER VI.

AUTOMATIC ADJUSTMENT OF WAGES.

One aspect of wage regulation which the terms of reference direct the Committee specially to investigate is " the methods of automatic adjustment of wages in future." We understand by the term method of automatic adjustment any device which makes it possible for wage rates to adjust themselves to changing circumstances without giving rise to disputes. The advantages of a satisfactory arrangement of this character are obvious. The principal advantage is, of course, the avoidance of industrial strife. It is well-known that the large majority of labour disputes and strikes and lock-outs arise in respect of the determination and the payment of wages. If by any device disputes in respect of wage determination and wage payment could be avoided, industrial relations would automatically be put on an immensely better footing. Some methods of automatic adjustment of wages are also advocated for maintaining wage payments at a just level. One of our Associate Members, Mr. Khandubhai Desai, claims that automatic adjustment of wages can also serve as a means of raising the wage rates of low-paid workers and of assisting them to attain the living wage standard. We have, however, been unable to appreciate the force of this claim. We fail to understand how an arrangement for automatic adjustment as such can be a means of raising wages, unless it deliberately provides for a continuous increase in wage rates with the progress of time. We have not come across any instance of a sliding scale or other method of adjustment where such an increase of wages has been contemplated nor do we think that employers will agree to a scheme of adjustment in which a continuous increase of wages with the passage of time is automatically provided for.

Any scheme for the automatic adjustment of wages can be said to work perfectly only if it provides for all types of changes of circumstances which may lead either employers or employees to demand an adjustment of wage rates. These changes of circumstances may in the main be classified into two types : (i) changes in the real value of the money wage, and (ii) changes in the capacity of the employer to pay. A third type of change is the increase in the proportion of the product of industry demanded by workers as a class. A change in the current ideas of what this proportion should be would materially affect the claims of workers regarding wage rates. But this type of change is usually not, and is not really, capable of being covered by a scheme for automatic adjustment.

COST OF LIVING SLIDING SCALES.

We shall in the first instance consider arrangements designed to meet the difficulties caused by changes in the value of the monetary medium. Any considerable change in the general level of prices brings about a change in the real value of wages paid to workers. It consequently

upsets the real terms of the bargain agreed upon between the employers and the employed and naturally gives rise to a demand from either one or the other side for a revision of the money rates of wages. In order to obviate this difficulty, the remedy suggested has always been to vary the wage rates in accordance with the variations in the level of prices. And this has usually been done by linking the whole or a part of the wage to an index number of prices. The primary aim of an arrangement for automatic adjustment which links the wage to an index number is to maintain the real value of the current level of wages. The problems presented by these arrangements are usually of two types: those in connection with the index number and those in connection with the nature of the link. In the early days of these sliding scales the index numbers available were very few. Hence, usually some index number which was designed to measure the fluctuations in the general level of prices was chosen to form the basis of the system of sliding scales of wages. It was, however, soon realized that variations in the prices of different types of goods and commodities were neither simultaneous nor of a uniform size, and that what was necessary, from the point of view of wage adjustment, was the measurement not so much of the fluctuations in the general level of prices as of the variations in the prices of those goods which the worker consumed. The preparation and maintenance of index numbers of workers' cost of living has, therefore, of late years assumed greater and greater importance. The justice and success of the cost of living sliding scales depend largely upon the nature of the cost of living index number and the extent to which the index number reflects changes in the workers' cost of living.

A large number of different arrangements are found in the structure of the cost of living sliding scales. We may illustrate this by referring to the variety of arrangements in one country, namely, Great Britain, where sliding scales form part of many collective agreements. The basic index numbers used in that country for sliding scales are those compiled and published by the Ministry of Labour. But the manner in which adjustments of wages take place in relation to the movements of the index numbers is very different from trade to trade. In some trades, a change in wages is made when the index number shows a given variation; but the extent of the necessary variation of the index number is not uniform from trade to trade. In other trades, the sliding scales operate at stated intervals either quarterly or annually, being based on the index number for the same or the preceding month or on an average of the preceding months. Again, the relationship between the amount of change in the wage rate and the extent of the fluctuations in the cost of living varies from agreement to agreement. In some trades, the variations in wages depend on different fluctuations in the index number for different classes of workers, while other provide for different amounts of wage changes for different classes of workers for the same fluctuations in the index number. A number of agreements further provide for a stop in the downward movement, in the form either of a minimum rate or of a proviso that the movements in the cost of living below a certain point

shall cease to have any effect on wages. It is also important to observe that, while in some cases the whole of the wage moves in relation to the change in the cost of living, in others only a portion of the total wage is affected, the rest of the wage remaining unaffected by the change.

Cost of living sliding scales assume importance in times when rapid fluctuations take place in the value of the monetary medium, especially at times of a rapid rise in prices. The existing scales are the product directly of "war and post-war inflation, attaining their greatest popularity when currency depreciation was most severe and when, therefore, the recognized defects of these scales were felt to be of very minor significance alongside the overwhelming need for rapid adjustments of wages to the rising price level."[1]

POST-WAR INCREASES IN WAGES IN TEXTILE INDUSTRY.

In the cotton textile industry of this Province, the period of high prices towards the end of the war (1914-18) saw a demand on the part of workers for a compensating increase in the wage rates. As usual, the actual increase given lagged a great deal behind the rise in the index number of prices in all centres of the industry. And it was only towards the end of this period of rising prices that an increase somewhat proportionate to the rise in prices was actually conceded.[2] The manner in which this increase was given was the same in most centres of the industry. The pre-war level of wages was considered to be the basic level and a percentage addition, which was usually called a "dear food allowance", was made to this basic level of wages. The percentage addition was not uniform for time workers and piece workers and even

[1] "Wage Policy in relation to Industrial Fluctuations", A. G. Pool, 1938, pages 257-258.

[2] The following table sets out the general increases in wage rates given by the mills in Bombay during the period 1917 to 1921 and also the comparative figures of the movement of the working class cost of living index number during the same period:

TABLE

Year and Month.	Total percentage of wage increase since 1914.	Bombay working class cost of living index number on base July 1914 = 100.
January 1918	15	134
January 1919	35	182
February 1920	55*	181
	75†	
November 1920	70*	186
	80†	

*Male workers on time rates and female workers both on time and piece rates.

†Male workers on piece rates.

Movements of wages in Ahmedabad and Sholapur during this period were of a similar character. For details see Appendix B to Report on an Enquiry into Wages and Hours of Labour in the Cotton Mill Industry, 1926, and a supplementary note on movements of wages in recent years in relation to prices and cost of living (pre-war and post-war) in the memorandum submitted to the Royal Commission on Labour in India, by the Government of Bombay.

for all occupations among time workers and piece workers. Ordinarily, however, the percentage additions were of a uniform character for all units in a centre of the industry. This structure of wage rates in the cotton textile industry remains unaltered in all places and occupations except where, as in the case of standardization in Ahmedabad or the operation of the minimum wage schedule in Bombay, a common measure of regulation has since affected the wage rates. It is clear that such an addition of a fixed percentage to the wage has nothing in common with a sliding scale. When the wages rose during the period of high prices, the increases were all brought about by insistent demands on the part of wage earners, leading in almost all cases to wage disputes. In subsequent years, when prices fell, attempts were made by employers to bring down wages. These were resisted by workers and led, in numerous cases, to prolonged and costly strikes. The existence of the dear food allowance did not in any way help either the upward or downward adjustment of wages. It is thus no different from the basic rate and has no more significance than recording a historical fact.

SHOLAPUR GRAIN ALLOWANCE.

The Sholapur grain allowance, however, contains some elements akin to a cost of living sliding scale. The dear food allowance granted to workers in the post-war period by mills in Sholapur took a dual shape. A part of the increase was given in the form of the usual percentage addition to the basic wage; the other part was given in the form of a stated quantity of specified cereals and pulses to which a worker was entitled in lieu of a fixed sum deducted from his total monthly wage. In times of high prices, the market price of the given quantity of food grains was much higher than the sum deducted on its account from the worker's wage. The difference between the two represented the additional remuneration obtained by the workers in consideration of the high level of prices. As prices declined, the cost of the grain allowance to millowners and the advantage obtained from it by the workers both declined proportionately. There was thus an automatic adjustment of this part of the wage to the prices of the specified food grains. The following table gives the results of a calculation made by the Labour Office of the Government of Bombay regarding the value in different years of the Sholapur grain allowance:

TABLE No. 39.

Value of 18 seers of Jowari and 2 seers of Turdal at retail prices in Sholapur from 1919 to 1933.

Year.	Months.	
	January.	July.
	Rs. a. p.	Rs. a. p.
1919	6 11 7	7 3 3
1920	6 15 1	5 1 4
1921	7 1 3	7 13 4
1922	7 10 2	3 9 4

Year.	Months.	
	January.	July.
	Rs. a. p.	Rs. a. p.
1923	3 6 4	3 10 1
1924	4 2 5	4 12 6
1925	4 5 7	3 15 7
1926	3 9 6	3 8 4
1927	4 5 1	4 0 3
1928	3 13 2	3 4 8
1929	3 11 10	3 13 11
1930	4 1 8	3 3 11
1931	1 15 0	1 9 8
1932	1 12 7	2 1 3
1933	1 13 5	1 15 4

It should be remarked that the fixed relation between quantities of grains and the deduction was maintained only until the point was reached where the market price of the grain allowance was equal to the deduction made from the wage. After this point was reached the quantities of grains were maintained at their former level, but the sum deducted was allowed to fluctuate from time to time in accordance with prices ruling in the market. The grain allowance is also paid today, but it does not confer any special advantage to the worker nor does it entail any additional cost to the millowners. It may be compared to a cost of living sliding scale which has reached the stop below which the fluctuations in the cost of living are not allowed to affect any part of the wage.

The Sholapur grain allowance is, however, not a pure cost of living allowance. Other elements are incorporated into it, the chief of which is the element of a good attendance bonus. A cost of living allowance has to be paid to all workers—whether temporary or permanent—in a given proportion to wages earned by them, irrespective of attendance, output, etc. The Sholapur grain allowance is, however, paid only to workers who put in a certain number of days of work during the preceding month. To this extent it cannot be said to be a cost of living sliding scale.

We need not enter into a detailed discussion of the merits and demerits of the cost of living sliding scales. Except in times when prices are rising rapidly, the majority of points in respect of which differences are likely to arise between employers and employed regarding wages cannot be covered by such a sliding scale, because, in normal times, the majority of disputes arise in respect of changes in the capacity of the industry to pay. Further, the policy of maintaining, in a fixed manner, real wages over a period of time, which is presumed in a cost of living sliding scale, may involve action opposed to adjustments of wages which may be highly desirable from other points of view. The waning popularity of these sliding scales during the last fifteen years shows how they were appropriate only to a special period of time.[1] We do not, therefore,

[1] "In short, the cost of living sliding scale must stand condemned except as a means of emergency adjustment in periods of violent monetary disturbance."—"Wage Policy in relation to Industrial Fluctuations", A. G. Pool, 1938, page 285.

think it desirable or necessary to recommend the adoption of a sliding scale based on any cost of living index number in the cotton textile industry of this Province. Representatives of neither employers nor workers advocated or welcomed, before us, the adoption of such a sliding scale.

PROFIT-SHARING.

Sliding scales other than those linked to cost of living aim usually at adjusting the wage to the capacity of the employer or industry to pay. Profit-sharing of the ordinary type may itself be treated as a special case of such a sliding scale. The profits made by a concern can fairly be taken as indicating its capacity to pay. Variations in profits indicate variations in capacity from period to period; and a cash payment based on the profits earned by the concern for the preceding period has the result of adjusting, to a certain extent, the wages of the workers to capacity. A permanent scheme of profit-sharing provides for a measure of automatic adjustment of this character. Apart from bonuses paid to workers during periods of specially high profits, nothing of the nature of profit-sharing is or has been known in the cotton textile industry of this Province. These bonuses did not usually vary in accordance with the profits made by individual concerns, but were paid by all concerns in a centre at a uniform rate not necessarily related to even the total profits made in that centre. Profit-sharing as such or as a method of adjusting the wages of workers has not been advocated before us by anybody connected with the industry. The difficulties in the way of a successful adoption of profit-sharing schemes in the cotton mill industry are of the same character as those on account of which many such schemes have failed elsewhere. The existence of a fairly high rate of average profit is a condition precedent for the success of a profit-sharing scheme, and from the point of view of the employer profit-sharing should result in a marked improvement in the efficiency or the contentment of the worker. Neither of these conditions is likely to obtain in the cotton textile industry of this Province. The analogy of profit-sharing in a strong, isolated unit of industry such as the Tata Iron and Steel Company, cannot obviously apply to units in the cotton textile industry. The average rate of profits in the latter is not likely to rule at a high figure and the cash share of profits accruing to an individual worker even in comparatively good years would be too small to exert any appreciable influence on him or his work. A small, remote and deferred payment cannot act as a substantial incentive. There is also the danger, from the employer's point of view, of workers coming to regard the cash share as a right and resenting any material reduction in its size consequent on reduced profits. The extra payment may thus become a source of disputes instead of a means for settling wage rates automatically. Apart from these considerations, we do not favour profit-sharing of the ordinary type in an industry like the cotton textile industry. We have made it clear elsewhere that we think it highly desirable to establish uniformity of wage payments among different units in a centre. Profit-sharing schemes under which individual mills shared profits with their employees

would for some concerns materially cut across such uniformity. We do not, therefore, advocate the establishment of individual profit-sharing schemes in the industry.

SLIDING SCALES BASED ON PRICE OF PRODUCT.

This leads us to a consideration of sliding scales other than those related to cost of living or the profits of an individual concern. These sliding scales fall again into two main types : (i) those in which the index or the base is either the total profits or proceeds of the industry, and (ii) those in which the scale is linked to some external or independent variable such as the selling price of the product. The classic example of the latter type is the regulation of wages in the iron and steel industry in Great Britain. The selling price sliding scales in the British iron and steel industry are among the oldest and most successful of the arrangements for automatic adjustment of wages. The iron and steel industry being a producers' goods industry suffers from more severe cyclical fluctuations than other types of industries. The need for frequent adjustments of wage rates to variations in capacity is, therefore, keenly felt in this industry. The selling price sliding scale is based principally on the assumption that the selling price of the product is by itself a good index of the capacity of the industry to pay. Similar sliding scales were common in the British coal mining industry for some decades, but were abandoned on account of the opposition of workers, mostly during the first decade of this century. We do not enter into the details of these arrangements, as they are obviously not suited to the cotton textile industry. The iron and steel industry produces fairly homogenous and standardized commodities the selling prices of which can be calculated with comparative ease. The selling price of the product is, at least for short periods, also the dominant factor in determining capacity in this industry. Neither of these assumptions would be valid for the cotton textile industry. Not only do the products of this industry exhibit enormous diversity but they also vary in character and quality from time to time. The selling price is further not the only important factor in determining ability to make profits. The price of the raw material is, for example, almost equally important in this connection. It is, therefore, not possible to adopt a selling price sliding scale in this industry, nor is it possible to suggest any other suitable index for this purpose such as, for example, a relation between the prices of cotton, yarn and cloth. The preparation of a satisfactory index number of cloth prices, which must reach a very high degree of reliability before it can be accepted by both sides as an element in automatic wage adjustment over a period of time, is well-nigh impossible. The profits of a cotton textile mill again depend on a large variety of factors and cannot be correlated over any long period of time to any simple relation between two or three sets of prices.[1]

[1] Rowe examines the movements in Lancashire spinning and weaving lists over a number of years and comes to the conclusion that they do not bear any simple relation to any significant external factor or a combination of such factors. "Wages in Theory and Practice", Chapter VI.

In the only recorded instance in the Lancashire cotton industry in which negotiations for automatic adjustments were conducted, the method discussed was that of what may be called "collective profit-sharing". L. L. Price, "Conciliation in the Cotton Trade", Economic Journal, June 1901.

PROCEEDS-SHARING SLIDING SCALES.

We shall now examine sliding scales based on profits or proceeds. In these scales either the net profits of the industry are determined and a part of the wage linked to fluctuations in them, or the proceeds of the industry, that is, the amount remaining after deducting all expenses other than wages and profits from the gross receipts, are determined and divided in a certain proportion between wages and profits. The most important case of proceeds-sharing obtains in the coal mining industry in Great Britain. The coal miner's wage in that country is made up of a basis wage plus a percentage. The basis wage varies according to the type of work, and according to particular pits and seams worked. The determination of the basis wage involves allowing for the special working conditions and for occupational differences. The function of the percentage addition is to reflect changes in the economic condition of the industry. The percentage addition has always been determined not locally for particular mines but for large areas. In 1921 when the present system of proceeds-sharing was first adopted, the preliminary step in the determination of wages was the fixing of certain standard wages. Next, independent accountants appointed by each side ascertained the proceeds of all the mines in a district and deducted therefrom standard wages, expenses other than wages and profits, and standard profits expressed as a percentage of standard wages. The surplus thus remaining was divided in a fixed manner between wages and profits and it was the surplus accruing to wages that was expressed and paid in the form of the percentage addition. In 1926, substantial changes were made in this wage structure. The most important of these is that the terms of agreements now vary from district to district, instead of being uniform, as from 1921 to 1926, for the country as a whole. Further, there is now no determination of standard wages and standard profits to be deducted from the proceeds. What is deducted are only expenses other than wages and profits. The remaining proceeds are then divided in a given proportion between wages and profits. The wage earners become entitled to a percentage addition if the basis wages accruing to them fall below the sum to which they are entitled according to their share of the proceeds. But the percentage addition is subject to a minimum. However low the amount of the proceeds in any district, the percentage addition to basis rates is not allowed to fall below a given minimum. Besides, it is provided that if the rates of wages as determined for any district do not yield a certain minimum wage to certain low-paid workers, an addition should be made to it in the form of an allowance per shift. On the other hand, if on account of the provision for the payment of minimum wages, employers do not obtain the full share of the proceeds as profits to which they are entitled, they can carry forward these claims to be made good out of any surplus accruing during future years. As the Royal Commission on the Coal Industry (1925) remarks, " these rather complicated arrangements embody two main principles—that of a minimum wage and that of an economic wage to be determined scientifically."[1]

[1] Report of the Royal Commission on the Coal Industry, 1925, page 134.

The history of the proceeds-sharing sliding scale in the coal mining industry in Great Britain is interesting. It was introduced, on a national scale, in 1921 amid great enthusiasm. It soon gave rise, however, to difficulties of interpretation. In 1924 its terms were revised somewhat in favour of the miners. In 1925 owners gave notice to terminate it. Protracted negotiations led to no result and there was a serious stoppage of work in 1926. After 1926, district agreements, all of the proceeds-sharing type though varying in the details of the arrangement, took the place of the national agreement. The working out of the arrangement has revealed a number of difficulties, and it should further be remembered that all the problems inherent in this method of determining wages have not been acutely felt as, for the greater part of the period since 1926, proceeds-sharing has not operated to any appreciable extent, practically every district being almost continuously on the minimum percentage. " In other words, the price obtained for coal has been such that the net proceeds in the various districts have not risen above the amount necessary to pay the guaranteed percentage, and in some cases have fallen very considerably below that amount."[a]

PROPOSALS EXAMINED.

We have referred to the experience of the British coal mining industry in some detail because the only concrete proposals made before us regarding automatic adjustment of wages in the cotton textile industry were similar in character to proceeds-sharing. Almost all those who gave evidence before and submitted memoranda to us questioned the feasibility or desirability of measures of automatic adjustment. The representatives of all associations of employers were opposed to any measure of automatic adjustment; so were the representatives of most labour unions. The Textile Labour Association, Ahmedabad, stated in its memorandum: " It is certainly desirable to have a definite scheme to effect wage adjustments automatically . . . But so long as the factors responsible in determining the profits of the industrial concerns are not clarified and a standard basis adopted, the scheme would not be feasible. Without an agreement on a reasonable standard of remuneration to the managing agents, depreciation for plant and limitations of dividends, it is difficult to conceive a workable basis for automatic adjustment of wages by any collective agreement." Mr. Shankarlal Banker who gave evidence on behalf of the Association elaborated these ideas in his oral evidence; and though he expressed himself keenly in favour of automatic adjustment, if it were possible, he admitted that the fundamental ideas had yet to be clarified and that collective profit-sharing was hardly practicable today.

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[a] " Wage Determination in the Coal Mining Industry", published by the International Labour Office, 1931, page 46.

Mr. Ambalal Sarabhai, a leading millowner of Ahmedabad, who gave evidence in his personal capacity, put forward an elaborate scheme of proceeds-sharing. The nature of this scheme is made clear by the following extracts from his memorandum:

"In the Province there are three important centres of textile industry—Bombay, Ahmedabad and Sholapur . . . A combined balance sheet of all the mills working in each centre should be taken out each year, say before the end of April of the following year. To do this accurately merely for the purpose of this scheme a method of ascertaining profits will have to be laid down and enforced—method of valuation of stock, what should be revenue and capital charges, Managing Agents' commission, provision for depreciation and income tax, fair return to shareholders, provision for repairs and maintenance of machinery, etc., etc. Actual payments to Managing Agents, provision for depreciation and for other purposes need not be according to the calculation, but adjusted as may be decided by the shareholders and the interests concerned . . .

"If the combined balance sheet for each centre after making the above provisions leaves an excess, then up to the time that wages equal living wage standard, . . . even 75% of the excess may be made over to Government to be utilised for payment wholly or partially to the workers employed in the industry or for other measures for the benefit of the workers, such as sickness benefits, leave with pay, etc., etc., growers of cotton, and of the community as a whole. When this level is reached the percentage to be substantially reduced."

This scheme, even if we assume that the share of the excess will be paid not to Government but directly to the wage earners in cash, is open to all the usual objections to a collective profit-sharing scheme. It would involve considerable work on the part of independent accountants appointed by each side. It would inevitably lead, as in the case of the British coal mining industry, to a number of difficulties of interpretation and disputes regarding the admissibility and the size of various items to be deducted from the total proceeds. As the adjustment would depend on the preparation of a full year's accounts, it would allow for a considerable time lag. And, most important of all, the trouble would not be worth while. For, ordinarily, taking the average of the working results for a whole centre the amount of the additional remuneration obtained by any individual worker can be only a small percentage of his total wage. The following set of tables shows for Bombay, Ahmedabad and Sholapur, the sums carried to reserve, to depreciation, agents' commission and dividends and those paid out as wages and salaries:

TABLE No. 40.

Wages and Salaries, Dividends, Agents' Commission and Allowances, Depreciation and amounts carried to Reserves and Dividend Equalization Funds of Cotton Textile Mills.

Bombay.

(Rupees in lakhs.)

Year.	Wages and Salaries.	Amount of dividend.	Rate of Dividend to Paid-up Capital.	Agents' Commission and allowances.	Depreciation provided.	Amount carried to Reserves.	Amount carried to Dividend Equalization Fund.
1929 ..	531	23·42	1·7	20	40	0·50	0·40
1930 ..	541	19·15	1·4	13	10	Nil.	Nil.
1931 ..	597	18·05	1·4	15	52	Nil.	0·60
1932 ..	648	18·57	1·3	14	39	0·25	1·00
1933 ..	420	12·69	1·1	10	34	Nil.	Nil.
1934 ..	395	21·14	1·8	15	47	14·14	2·98
1935 ..	511	20·98	1·8	12	38	2·40	Nil.
1936 ..	484	24·10	2·0	15	42	6·77	0·18
1937 ..	585	34·96	2·9	22	66	3·45	2·55
1938 ..	718	49·04	3·9	28	78	8·05	7·19

Note.—Figures taken from the consolidated balance sheets.

Ahmedabad.

(Rupees in lakhs.)

Year.	Wages and Salaries.	Amount of Dividend. (1)	Rate of Dividend to Paid-up Capital.	Agents' Commission and allowances. (2)	Depreciation provided. (2)	Amount carried to Reserves. (2)	Amount carried to Dividend Equalization Fund. (2)
1929 ..	Information not available.	43·04	12·7	..	..	..	....
1930 ..		39·09	10·5	..	..	..	....
1931 ..		49·17	11·4	37	51	..	....
1932 ..		50·98	10·9	40	55	..	....
1933 ..		36·24	7·7	24	36	..	....
1934 ..		33·82	7·7	29	50	..	....
1935 ..		26·74	6·1	28	46	12·26	0·50
1936 ..		24·08	5·5	25	39	5·92	0·80
1937 ..		31·34	7·2	35	58	8·64	0·50
1938 ..		28·40	6·7	32	58	9·80	0·75

(1) Figures taken from the "Directory of Ahmedabad Mill Industry" by N. N. Desai.

(2) Figures taken from the balance sheets and statements supplied by mills.

TABLE No. 40—*contd.*

Sholapur.

(Rupees in lakhs.)

Year.	Wages and Salaries.	Amount of Dividend.	Rate of Dividend to Paid-up Capital.	Agents' Commission and allowances.	Depreciation provided.	Amount carried to Reserves.	Amount carried to Dividend Equalization Fund.
1929 ..	57	12·42	18·9	..	..	..	....
1930 ..	52	5·85	8·9	..	..	..	....
1931 ..	53	6·55	9·9	..	..	..	....
1932 ..	52	6·93	10·5	4·3	1·9	0·07	Nil.
1933 ..	49	4·95	7·5	2·4	1·4	0·09	Nil.
1934 ..	44	4·87	7·4	3·3	2·1	0·04	Nil.
1935 ..	47	3·67	5·6	2·3	0·4	2·88	0·50
1936 ..	45	3·51	5·3	2·6	0·6	0·12	Nil.
1937 ..	49*	3·83	5·8	2·3	1·5	0·16	Nil.
1938 ..	60	4·82	7·3	4·2	11·3	0·26	0·65

Note.—Figures taken from the balance sheets and statements supplied by mills.

*Includes expenditure on office establishment of Managing Agents in one case.

These tables bring out the relations between the various classes of payments involved in a scheme of collective proceeds-sharing. They show that even though individual concerns may be in a specially favourable financial position the figures for a centre as a whole do not necessarily reveal a specially high level of dividend payments, reserve allocations or depreciation amounts. For Bombay it is clear that in most years of the decade the payments towards depreciation fell short of what may be prescribed as standard requirements and this would, perhaps, also be the case with the profits earned. It has not been contended before us that the commissions earned by the managing agents in Bombay are levied on an unfair basis or are specially excessive. Any reductions that could be made on the plea of an inflated capital structure or excessive interest rates would also not be substantial enough to outweigh the shortage of payments on the other side.

While for Bombay the last decade was for the larger part one of depressed conditions, it was not so for Ahmedabad. At Ahmedabad the allocations to both depreciation and reserve funds are distinctly on a higher level than at Bombay. They cannot, however, be called excessive and it would, even for purposes of calculations under

a scheme of proceeds-sharing, not be possible to reduce them materially. The dividends paid are no doubt much more substantial than in Bombay. It has to be remembered that the share capital, on which it is that the rate of dividend payment is calculated, bears in Ahmedabad a smaller proportion to the total funds employed than in Bombay; hence in this centre the amounts made available by calculations on the basis of a standard rate of profits would not be large relatively to the total wage bill. The total wage bill for Ahmedabad for 1938, according to information obtained from the balance sheets of mills, amounted approximately to Rs. 5 crores. The amounts paid as agents' commissions in Ahmedabad are no doubt high as compared with those paid in other centres. The minimum scale suggested by Mr. Ambalal Sarabhai for agents' commission would put the payment of minimum commissions at about Rs. 20 lakhs in 1938. If we assume a standard rate of profits of 5 per cent.—this was the percentage generally agreed to in the Lancashire negotiations of 1899-1900—the calculated dividend payment would be put at about Rs. 21 lakhs. The sum indicated for sharing would in this case, without making any allowances on the other side, amount to nearly Rs. 21 lakhs which is less than 5 per cent. of the total wage bill for the year in that centre. In this connection it should be remembered that while it may be possible for mill companies to agree to a proceeds-sharing arrangement related to profits earned or dividends declared, they cannot themselves reduce the commissions paid to agents. These commissions are legally payable by the companies to mill agents under long term contracts and the consent of all those having an interest in managing agencies—and this is reported to be a numerous class in Ahmedabad—will be necessary before any limitation of these payments is brought about. In any case, as the tables reveal, the surplus of proceeds to be shared will in ordinary years be too small to be significant even in Ahmedabad. Similar considerations apply to the figures revealed by the table for Sholapur.

Unless, therefore, there is a very drastic legislative limitation of dividends, commissions, etc., such as cannot be presumed and is not contemplated by Mr. Ambalal Sarabhai, any scheme of proceeds-sharing is capable of augmenting the workers' wage only by a small percentage. The percentage will be so small that it will not materially affect the efficiency of workers or help to improve industrial relations. On the other hand, as remarked above, the variations in this percentage addition may themselves well become an additional source of disputes.

Our colleague, Mr. Khandubhai Desai, suggested a scheme for automatic adjustment which he thought was not only urgently desirable but also feasible. As we understand it, he proposes an arrangement somewhat similar to proceeds-sharing with, however, the following important difference. In the usual proceeds-sharing arrangements all items of expenditure, other than profits, are taken from the books of concerns, as ascertained by independent accountants. Under the proposed scheme, items such as depreciation or agents' commission

would not be taken at the figures actually shown in the accounts but would be calculated, as in Mr. Ambalal Sarabhai's scheme, at certain standard rates to be determined previously. The unit for calculating the proceeds would be each independent centre of the industry. The proceeds would be so divided—though the details of the arrangement are not clear—as to benefit chiefly classes of workers whose wages fell below the living wage standard. It was further suggested that commissions and dividends should be limited to a minimum figure until the living wage standard was reached by all workers and that these limits should be laid down and enforced by the Provincial Government. It is obvious that these questions cannot be considered in respect of one industry alone. Further, we do not think that steps to be taken for attaining a living wage standard can be fruitfully incorporated into a scheme of automatic adjustment of wages. However drastic the measure for the limitation of dividends or commissions, there is nothing in such limitation itself to lead to a progressive attainment of the living wage standard. A limitation will increase the absolute size of the proceeds to be shared; but as long as the manner and the basis of calculating the proceeds remain unchanged, there is no reason to suppose that the size of the proceeds will exhibit a definite trend one way or the other. This size will depend on the fortunes of industry and will fluctuate with them. These fluctuations are normally cyclical and the secular trends in proceeds or profits, if there are any such, are at least today not predictable. Mr. Khandubhai Desai advocated his scheme of automatic adjustment mainly as a means to attain the living wage standard. We are unable to see how it can do this.

WAGES EQUALIZATION FUND.

A partial method of automatic adjustment advocated by another of our Associate Members, Mr. Khedgikar, is that of instituting a fund, analogous to the dividend equalization fund, which may be utilized for preventing a reduction in the wage level during times of depression. It is suggested that a certain percentage of the profits of industry in a centre should be paid into a fund to be called the wages equalization fund. The idea is similar to that of profit-sharing with this difference that, while under the latter profits will be shared at the end of each year, with a wages equalization fund the share of profits will be accumulated during years of prosperity to be distributed only in periods of depression. The objections to the institution of a wages equalization fund for separate units are of the same character as those to profit-sharing in individual concerns. The institution of a wages equalization fund for a centre as a hole is neither desirable nor is it likely to be agreed to by employers. Such a fund will penalize the more efficient units in the industry and help to subsidize partially the least efficient ones, because during times of prosperity the better units will pay the most into the fund and they will also draw the least from it during years of depression. Any scheme which subsidizes the least efficient units in this manner cannot be in the interests of industry or the workers in it. It is also clear from the relative sizes of profits, dividends and wages

that a wages equalization fund can never become large enough to help materially to keep up the wage level during any prolonged period of depression.

DIFFICULTIES OF SLIDING SCALES.

Sliding scales were initially hailed with enthusiasm and automatic adjustment of wages is even today considered very desirable because of a belief that with a predetermined system in operation wage disputes can be settled very easily. This belief seems, however, to ignore two important factors. In the first instance, an automatic arrangement can take account of only a limited number of considerations in wage determination. But considerations or changes of circumstances which may lead one or the other party to demand a change in the wage rate are diverse. These cannot all be covered by an automatic arrangement. And where an automatic adjustment in relation to one set of factors is in operation, it may become difficult to obtain recognition for other factors as legitimate grounds for a change in wages. The more complex the structure and circumstances of the industry the less are the chances of a sliding scale adequately covering its needs for any period of time. Secondly, the nature of the demand put forth by labour is itself undergoing continuous change. What may have been regarded by labour leaders at one time as a satisfactory agreement may not be looked upon in the same manner after a lapse of time. Where the nature of the demand changes an automatic arrangement is incapable of suitably adjusting the wage. These are fundamental difficulties apart from the numerous practical difficulties involved in the framing and working of sliding scales.

The nature of these difficulties has been made clear in the brief description of sliding scales which has been given above. The large variations in the structure of the arrangements and in the relationship between the changes in the base index and the changes in wages show that these agreements can hardly be called scientific in character. The preliminary determination of the structure and proportion of the scale is invariably the result of bargaining of the ordinary type. Moreover, it is not as if once a scale is fixed no party can demand a structural or detailed revision of it afterwards. The history of all sliding scales shows frequent demands for an alteration of their terms by one side or the other and an automatic adjustment does not thus guarantee that a wage dispute will not arise in respect even of the factors covered by it. The avoidance of disputes under sliding scales requires as much goodwill between the two parties to the wage bargain as in circumstances where no sliding scale is adopted. It has been noted by all students of the subject that the cordial relations obtaining between the employers and the employed in the British iron and steel industry were largely responsible for the continuous smooth working of sliding scales in that industry.

It is no wonder, therefore, that sliding scales should have proved successful only in exceptional circumstances. In both the British iron

and steel and coal mining industries the factors governing profits and wages are comparatively simple. In both these industries, again, circumstances render necessary a frequent adjustment of wages.[1] Even so, particularly favourable circumstances were required for the smooth working of sliding scales in the iron and steel industry, and the absence of similar circumstances in the coal mining industry led to frequent breakdowns of the arrangements and to changes in them in the coal mining industry.

We need not consider the assumptions involved in a sliding scale arrangement and the theoretical objections to it. Whether the wage should be a fluctuating one or whether it should be rigid; whether the aim should be to stabilize it in terms of money wages or real wages; whether it is possible to combine in any arrangement the differing aims of the minimum wage, living wage and the economic wage—all these questions we need not enter into because the issue can be settled in the light of ordinary practical considerations. Frequent fluctuations in wage rates are not rendered necessary in the cotton textile industry by any peculiar circumstances. Its price and wage structures are also of a complicated character. A scheme for automatic adjustment is, therefore, likely neither to be useful nor feasible. For the purposes of this industry it is enough if proper arrangements are provided for the prompt consideration of the grievances or demands of either side. The recommendations which we make in the chapters on the Minimum Wage and on Standardization of Wages provide ample arrangements for settling wage disputes and will, if given effect to, be as successful in avoiding industrial strife as any sliding scale. We do not, therefore, recommend that any attempt be made to set up arrangements for the automatic adjustment of wages in the cotton textile industry.

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[1] The Royal Commission on the Coal Industry (1925) remarks as regards mining: "In mining, with its violent fluctuations of prosperity and prices and the large proportion formed by wages in the total costs of production, the economic wage must also be fluctuating."—Page 134.

CHAPTER VII.

WORKING OF SHIFTS.

NIGHT SHIFT WORKING.

On several occasions in the past, mills in the Province of Bombay resorted to the working of night shift, but night work was never so general as it has been during the last three or four years. It appears from the evidence before us that night shift was first introduced in Bombay in 1918 by Sir Ness Wadia in his mills on the basis of two eight hour shifts. In Ahmedabad, according to Mr. Kasturbhai Lalbhai, night shifts were introduced about 1924 on a very restricted basis, only two or three mills resorting to night work. In Sholapur night work was not undertaken on any considerable scale before 1938. The following table indicates the extent and progress of the working of night shifts in cotton mills in Bombay, Ahmedabad and other centres during the last decade :

TABLE No. 41.

Number of Cotton Textile Mills working Night Shift and the Number of Workers employed in Bombay, Ahmedabad and Other Centres in the Province of Bombay

Period.	Bombay.		Ahmedabad.		Other Centres.	
	No. of Mills.	No. of Operatives.	No. of Mills.	No. of Operatives.	No. of Mills.	No. of Operatives.
December 1930..	16	3,592	18	6,954	3	958
January 1931..	17	5,951	15	5,571	3	943
July 1931..	33	14,347	19	6,302	3	1,108
January 1932..	30	17,118	21	6,870	4	1,159
July 1932..	18	10,107	18	6,293	5	1,915
January 1933..	19	9,734	18	6,824	4	1,586
July 1933..	13	4,854	15	4,795	4	1,689
January 1934..	14	10,021	19	6,962	4	1,132
July 1934..	21	12,691	27	12,228	6	1,537
January 1935..	33	27,500	31	12,468	8	3,951
July 1935..	34	27,680	33	12,030	7	5,856
January 1936..	35	29,386	34	14,449	6	3,878
July 1936..	33	22,013	33	12,936	7	4,483
January 1937..	38	26,362	39	19,710	7	2,612
April 1937..	42	34,566	45	22,902	7	2,629

TABLE No. 41—*contd.*

Period.	Bombay.		Ahmedabad.		Other Centres.	
	No. of Mills.	No. of Operatives.	No. of Mills.	No. of Operatives.	No. of Mills.	No. of Operatives.
July 1937..	48	39,568	44	25,439	7	2,929
October 1937..	47	46,326	55	32,205	8	3,542
January 1938..	48	47,524	64	35,325	11	4,901
April 1938..	53	50,175	62	39,415	12	5,659
July 1938..	52	53,059	56	34,618	12	6,030
October 1938..	52	50,908	53	30,868	12	6,325
January 1939..	51	46,894	47	27,422	10	5,852
April 1939..	43	40,150	43	26,823	10	5,893
July 1939..	39	34,591	45	26,628	7	3,476
October 1939..	40	32,411	43	24,954	10	3,846
November 1939..	42	32,587	39	22,699	10	4,125

A comparative statement of the average number of workers employed on day and night shifts in mills in different regions during the four years from 1935 to 1938 is given in the following table:

TABLE No. 42.

Average Number of Workers employed on Day and Night Shifts in Cotton Mills in the Province.

Region.	Average number of workers employed in			
	1935.		1936.	
	Day Shift.	Night Shift.	Day Shift.	Night Shift.
Bombay	1,11,976	31,945	1,05,149	31,122
Ahmedabad	83,353	13,722	78,703	15,031
Sholapur	16,768	1,021	16,008	129
Gujerat (excluding Ahmedabad).	7,506	560	7,482	496
Khandesh	8,449	3,918	8,402	2,317
Maharashtra and Karnatak (excluding Sholapur and Khandesh).	7,965	1,432	8,210	1,798
Whole Province	2,36,017	52,598	2,23,954	50,893

TABLE No. 42—*contd.*

Region.	Average number of workers employed in			
	1937.		1938.	
	Day Shift.	Night Shift.	Day Shift.	Night Shift.
Bombay	1,14,964	40,583	1,20,366	50,935
Ahmedabad	78,668	33,244	77,051	40,421
Sholapur	17,108	716	17,596	2,002
Gujerat (excluding Ahmedabad).	7,118	1,872	7,636	1,000
Khandesh	8,488	1,971	8,775	623
Maharashtra and Karnatak (excluding Sholapur and Khandesh).	8,466	2,621	7,835	2,733
Whole Province	2,34,812	81,007	2,39,259	97,714

WHY NIGHT SHIFTS ARE WORKED.

In industries requiring continuous processes, night shift is inescapable, but, in most countries, the tendency has been to discourage the working of more than one shift in non-continuous processes save in exceptional circumstances. In the Province of Bombay, as pointed out before, night shift was not so general as it has been during the last three or four years. According to the representatives of the Ahmedabad Millowners' Association, night shift has been resorted to because "it has the distinct advantage of lowering overhead costs, which is essential more particularly in these days of keen competition and of enabling the industry to cope with temporary increase in demand without additional outlay of fixed capital". Mr. Kasturbhai Lalbhai said: "There is bound to be a greater tendency to work the night shift instead of producing by a single shift, because what is happening actually is that day after day with the inventions going on, machines are getting costlier and costlier and in order to meet the depreciation and interest charges on these machines, production has got to be taken out of them in a limited time, and it will certainly entail working night shift." He, however, agreed that the large increase in the number of workers on night shift that occurred in 1937 was mainly due to the increased demand for cloth. According to Mr. Stones, night shift reduces overhead charges. Referring to other economic advantages he said: "In addition, it has advantages in a country like this, such as the utilization of a great amount of cotton in the country. It is worked because of the saving it

makes, enabling us to sell more, reduce our prices and obtain more markets . . . We have a certain amount of export trade, and if our supplies increase in the direction of export trade, we must have more night shifts." He added that so long as Japan continued to work night shift, India should not do away with it. It has been suggested by an important independent witness that the system of remuneration of managing agents in some centres tends to encourage night shifts inasmuch as increase of production means increase of commission. Whatever the purposes for which night shift may be worked—reduction of costs of production, meeting foreign competition or supplying a temporary increase in demand—it possesses certain obvious economic advantages.

EFFECTS ON PRODUCTION.

An important factor in determining the value of night shift to industry is its effect on the quality and quantity of output. While it was asserted by the employers that, given adequate lighting and ventilation and sufficient supply of skilled labour, production at night did not suffer appreciably either in quantity or quality, the workers and their representatives contended that it did suffer in both respects, especially after midnight. Mr. Stones said that every yard of cloth produced was checked and that the millowners were, therefore, in a position to assert that production did not suffer at night. It might happen, he added, that "in the beginning when night shift commences, production is a little inferior because of raw labour, but as soon as night shift settles down properly, there is no difference in the production". Mr. Kasturbhai Lalbhai said: "Production per hour has remained the same as it is during the day. There would not be any question about the quality. It remains the same." However, when asked why he had adopted in his own mills the system of closing night shift at 12-30 a.m., he replied: "Not only out of consideration for the worker. That was one of the considerations. The second consideration was my own production, because I felt that if the worker was allowed to work up to 3 o'clock in the morning I may not get out of him the same amount of production as I expect to get out of him by asking him to work only up to 12-30 a.m." Many of the employers in the other centres of the industry agreed with the view that the quality of production deteriorated after midnight. This view was also supported by the representatives of labour. The representatives of the Gujarat Sarni Kamdar Association voicing the opinion of drawers-in and reachers stated that in night working, as the eyes were affected, the ends sometimes got mixed up and the cloth was, therefore, spoilt. The representatives of workers further urged that comparison between the production of day work and night work was vitiated by the fact that the net working time during the day, owing to the time taken to clean machinery, was slightly less than that during the night. Another factor which, it is contended, should also be taken into account for a fair comparison is the reduced extent of loitering at night. In the absence of exhaustive investigation it is difficult to ascertain the extent of the variations caused by these factors or to say at what hour at night appreciable

deterioration in production sets in. There is, however, a good deal of evidence in support of the view that if night work ends at or about midnight, there would be no appreciable difference, either in respect of quantity or quality, between production by day and by night.

LIGHTING, VENTILATION AND OTHER FACILITIES.

The Millowners' Association, Bombay, agreed that for production at night to be the same as during the day, in quality as well as quantity, it was necessary that lighting and ventilation should be adequate. In Mr. Kasturbhai Lalbhai's view, proper facilities for night work should include good lighting, ventilation and good material. Mr. T. W. Johnstone, Chief Inspector of Factories, Bombay Province, had found instances of badly arranged lighting, particularly in the drawing-in department, which, according to him, would result in injury to the eyes, headache and the like. But, apart from such isolated instances, he thought that, on the whole, the standard of lighting was fairly adequate. Workers both in Bombay and Ahmedabad, however, complained that in many mills lighting was insufficient, while in others it was very dazzling. The complaint was also general that the lighting in the compounds of mills was not as satisfactory as it should be. There are also other facilities that must be provided for night workers. Adequate dining accommodation is an essential need. Mr. Johnstone held the view that permission for night work should be refused if dining accommodation was not provided. It is necessary that such accommodation should be adequate and satisfactory. We deal with the question of dining room accommodation in another chapter. It is, however, necessary to note that such accommodation has to be much more ample for night workers than for day workers because it is usually not possible at night to use other parts of the mill compounds for the purpose.

EFFECT ON HEALTH OF WORKERS.

For arriving at a proper decision on the regulation of night shift, an important factor to be taken into consideration is its effect on the health of the workers. Although a good deal of evidence has been given by the representatives of workers and employers on this point, it is neither complete nor scientific. Hardly any mills keep separate records of sickness among night workers. Mr. Stones, though he stated that, to the best of his knowledge, health was not affected, admitted that inquiries had not been sufficient to enable one to come to any definite decision one way or the other. Mr. Ambalal Sarabhai who had, for one month, carried out investigations into the effect of night shift working on the health of the workers in his mills, said that he had found that absenteeism among night shift workers was 5 per cent. as against 3 per cent. among day shift workers and that in the mill hospital there were more patients from among night shift workers than from among day shift workers. According to the Textile Labour Association, Ahmedabad, the health of workers was greatly impaired by continuous night work, the incidence of absenteeism due to frequent illness and fatigue was greater among them than among day workers and diseases

of the eye and digestive organs were also more frequent among them. The evidence of the workers generally supported these statements. Dr. H. P. Dastur of Tata Mills said that in his practice, which was mostly among mill workers, he had come across cases in which some night workers complained, not necessarily of eye strain, but of mental strain. Dr. A. N. Tankaria of the Calico and the Jubilee Mills and Labour Union Hospitals, Ahmedabad, observed in his memorandum that the incidence of sickness among night shift workers was somewhat higher than among day shift workers because of the greater strain of night work. He added that night workers commonly suffered from eye diseases due to strain. Again, night work involves a disturbance in the usual hours for meals as was emphasized before us by several workers. Such disturbance has naturally a harmful effect on health.

The question of extra strain and fatigue during night shift has not been examined by the mill authorities or any other organizations and the views expressed before us were not supported by data scientifically compiled. But there is little doubt that the living conditions of the workers contribute to making night work more onerous than day work. Living as the workers do, with very few exceptions, in one room tenements, they are not able to have sound, continuous and refreshing sleep during the day as easily as at night owing to the street noises and the sounds inseparable from the carrying on of household routine. During the greater part of the year, a large number of people in Bombay sleep on the pavements or streets. This is not possible during day time. Mr. Ambalal Sarabhai agreed that the strain of continuous night work was very great and that it was not possible for most workers to get adequate sleeping facilities during day time. He suggested that employers should be compelled to provide sleeping accommodation in the mills, for those who wanted it, on payment of annas eight per month. The Bombay and the Ahmedabad Millowners' Associations emphasized that working conditions in the night shift were, if anything, more comfortable than in the day shift, owing to lower average temperatures and the greater ease with which adequate humidity for efficient working could be obtained. As Mr. Johnstone, however, pointed out, with the progress in air-conditioning and humidification, the difference in atmospheric conditions was no longer an important factor.

We cannot better conclude our consideration of this subject than by drawing attention to the following passages from pages 61 to 70 of Dr. Frederic S. Lee's book "The Human Machine and Industrial Efficiency":

> "Man is a diurnal, not a nocturnal, animal, and any attempts to change his innate habits in this respect are bound to interfere with his physiological processes. Man's body needs the stimulus of sunlight and is adapted to the atmospheric conditions of the day . . . It is widely believed that bodily vigor is low in the early morning and that the greatest number of deaths occur then; there is some statistical evidence for this . . . There is a general consensus of opinion that night work is more deleterious to health

than is day work, and this opinion is supported by incontestable evidence; but in the present state of our knowledge it is hardly possible, nor indeed for our present purpose, is it necessary, to differentiate between deleterious effects *per se*, resulting from such conditions as the attempted imposition of an unphysiological rhythm and the lack of beneficial sunshine, and deleterious effects resulting from the fact that under our social conditions the day's recuperation of the night worker is rarely equal to the night's recuperation of the day worker. Night work entails a diminution of sleep. The day's light, the day's sounds, the irresistible lure of an active world, and, with a married woman, domestic duties, in a home where children must be cared for, meals must be prepared, and clothing must be washed—all these prevent sleep."

SOCIAL DISADVANTAGES OF NIGHT SHIFTS.

We may now consider the question of the effects of night shift on the life of the worker outside the factory. Apart from the objection that to work at night, turning night into day, is unnatural, it has been urged on behalf of the workers that night shift upsets family life. When the father of the family works at night and has to sleep during the day, it is evident that he is not able to devote adequate attention to his children or their upbringing. This disadvantage is aggravated when the mother of the family has also to work in a factory during the day. The representatives of the Bombay Presidency Women's Council said that women did not like the idea of men doing night work because it upset the routine of the household.

Nor is the night shift worker able to participate in organized games or to take advantage of recreational facilities. His opportunities for social intercourse and activities are also considerably restricted. Another drawback of night shift from the point of view of the working class as a whole is its effect on their organizational work. It was urged by representatives of workers that night shift workers were not able to take part in trade union activities. In this connection, it may also be added that night shift working, to a great extent, interferes with the educational advancement of the worker who may not be able to avail himself of the usual facilities for adult education.

EFFECT ON EMPLOYMENT.

Labour turnover provides an indication of the effect of night work on the health of the workers and of their attitude towards it. According to the representatives of labour, the incidence of absenteeism due to frequent illness and fatigue was greater among night than among day workers; and the tendency on the part of night workers to obtain employment during the day instead of at night appreciably increased the labour turnover. This view was supported by the Chief Inspector of Factories who stated that as many operatives changed to day shifts either in their own or in a neighbouring mill, one would expect a greater turnover on night shifts. He added that *badlis* were more numerous

on night than on day shifts. The evidence of the employers on this subject is rather conflicting. While the Ahmedabad Millowners' Association did not think that the turnover at night was greater than during day, the Millowners' Association, Bombay, stated that the turnover was greater in those establishments in which a change-over system had not been adopted, and that in those concerns where it had been adopted there was practically no difference. In this connection it may be noted that in very few mills in Ahmedabad does the change-over system prevail. Mr. Kasturbhai Lalbhai, however, stated that "it was a fact that there was a considerable increase in the number of workers absent in the second shift."

Night shift as a permanent and regulated feature may provide increased employment in an industry, but the spasmodic working of night shifts, while temporarily offering additional employment, ultimately aggravates the evil of unemployment, by attracting to industrial centres an unduly large number of men. In his evidence, Mr. N. M. Joshi, M.L.A. (Central), said that, on the whole, night shifts were not desirable because they created unemployment inasmuch as they encouraged more people to find their way into a city than it could find employment for. Table No. 41 on pages 162 and 163 shows the variations and fluctuations of the working of night shift from the year 1930 to 1939 in Bombay, Ahmedabad and other centres. While the number of persons employed in Bombay City steadily rose, there were also considerable fluctuations during this period. As is evidenced by the statistics furnished to us by Mr. Johnstone, there were appreciable fluctuations in the number of workers employed on day and night shifts and the number of days and nights worked by each mill from 1935 to 1938. For instance, in Bombay, in 1935 two mills worked night shift for less than a month, two for less than two months and one for less than three months. In 1936 two mills worked for less than fifteen days, two for less than a month, while two worked for less than two months and four for less than three months. Again, twelve mills worked night shifts for less than nine months in 1935, the number of such mills in 1936 being 19. Of the fifty-four mills that worked at night in Ahmedabad during 1935-37, thirty-nine worked with few interruptions, but twelve worked for periods of less than three months and three between three and six months. On January 1st, 1936, thirty-four mills worked night shift and employed 14,449 persons. On September 1st, in the same year, there were 23 mills on night shift employing 9,637 persons, while on September 1st, 1937, there were 46 mills employing 28,330 persons. According to the Chief Inspector of Factories, there were fairly wide fluctuations in other centres as well: "Thus, in Nadiad 1,100 persons were recruited for night shift on the 8th February 1937, only to be told after a couple of months that their services would not be required . . . A mill in Surat, after working night shift for a long period, closed it down in February to restart it on the 28th May 1936". It is obvious that these wide fluctuations create considerable economic distress.

NEED FOR REGULATION.

We have in the preceding paragraphs referred to the disadvantages of night shift from the point of view of the workers. It is not liked because it is unnatural and dissociates the individual from the normal life around him. It is considered injurious to the health of the workers inasmuch as it involves greater strain and fatigue than work during the day. The worker, however, regards night shift as a necessary evil and would not see it abolished until some effective measures are taken to solve the problem of unemployment. Some provision has also to be made for meeting a temporary increase in the demand for cloth. Again, so long as night shifts is resorted to elsewhere, employers consider it necessary to adopt it in order to maintain their competitive capacity. Nor can the fact be ignored that the increasing adoption of rationalization and the introduction of labour saving machinery may lead to increasing unemployment. This technological unemployment may, to a certain extent, be met by a resort to night shift. Therefore, the problem before us resolves itself into one not of abolishing night shift but of so regulating it as to secure the maximum advantage to the industry with the minimum discomfort to the worker. The general trend of evidence before us was to emphasize the need for such regulation of the working of night shift.

PAYMENT OF EXTRA WAGES.

Before we formulate our proposals regarding the regulation of night shifts, it is necessary to examine the question of the payment of additional wages to workers on night shifts. Except in one or two mills, no extra remuneration is paid to workers on night shifts. The Gokak Mills pay an extra allowance to induce workers to do night shift work, and so do the Narayandas Chunilal Mills at Gadag. The representatives of the workers in all centres made a demand for an additional wage for night work. The Textile Labour Association, Ahmedabad, justified this demand mainly on the ground of the unnatural and arduous character of night work. "If the society or industry", it contended, "wants for its own purpose to draft a particular section of workers for this type of work, it is but proper that such workers should get higher remuneration to compensate them for the special handicap incidental to night work". Other grounds for this demand were: insecurity of employment, greater incidence of sickness, less production by piece workers, necessity for incurring additional expenditure on tea or coffee to keep awake and on food purchased from hotels owing to the difficulty of getting it from home. The representatives of labour found additional support for their demand in the practice which prevailed in certain mills, before 1933, of paying extra remuneration to night workers. The representative of the Narayandas Chunilal Mills at Gadag stated that higher wages were paid to the workers for night shift because of the extra strain involved. The management of the Gokak Mills said that they had only part al night shift working for short periods and paid extra remuneration for night work in order to attract labour owing to the difficulty of recruitment, the mill being surrounded by an entirely agricultural tract. They

were not, however, in favour of paying extra remuneration when night shift was worked regularly over an extended period with a change-over. The representatives of employers in the industry resisted the demand for additional wages. They explained that, before 1933, certain mills, in order to attract good labour, offered the incentive either of an extra allowance or of shorter hours than were usual on the day shift. With the reduction in the number of weekly hours of work since 1935, the necessity for shorter hours or extra pay for night shift workers, they said, disappeared. But the main reason for the opposition of mill-owners to the payment of an extra allowance for night work was stated to be the incapacity of the industry to pay it. It was urged that if they were compelled to pay higher wages to night workers, it might not be worth their while to continue night shift. It was further urged that in no other industry were higher wages paid to the workers on night shift. Another argument advanced was that, with the adoption of a system of change-over, the justification for higher wages would not exist.

The practice of paying higher wages for night shift does not obtain in most countries. The only two exceptions we have been able to find are South Africa and Australia where in wage awards applying to the textile industry an extra allowance is paid for night work. In South Africa the law lays down that the textile worker should get 10 per cent. extra allowance if he is employed on night shift for more than three days per week in two or more consecutive weeks. Under an Award of the Commonwealth Court of Conciliation and Arbitration of Australia, for the textile industry, extra payment has to be made for night work.

Having given careful consideration to all aspects of the question, we do not suggest an extra payment for night work. We hold that the proposals that we make for the regulation of night shifts will adequately safeguard the interests of the workers, without placing on the industry the burden of additional wages.

LIMITATION OF HOURS.

We now proceed to deal with the crux of the problem of night shift, namely, the limitation of hours. The problem is how to safeguard the interest of the workers without depriving the industry of the advantages of the shift system. The Bombay Provincial Trade Union Congress urged that night shift should be of seven hours' duration, and wages and allowances should be so arranged that the seven hour working did not result in a fall in earnings. The Textile Labour Association, Ahmedabad, preferred that employment should be restricted, as far as possible, to hours between 6 a.m. and 10 p.m., but, recognising that this was not feasible at the present moment, it suggested that night work should be limited to eight hours and no factory should work later than 2 a.m. The Ahmedabad Mill Kamdar Union and the Sholapur Lal Bavta Girni Kamgar Union urged the prohibition of work between 12 midnight and 6 a.m. Individual workers who were examined were generally of the view that night shift should end at midnight.

According to the information specially compiled for us by the International Labour Office, night shift is regulated in many countries in order to compensate the workers in some measure for the discomfort attaching to shift work. Thus, in Brazil, when the three shift system is applied to textile mills, the first shift works 8¾ hours and the next two shifts 6¾ hours each; where two shifts are adopted, the first works eight hours and the second seven. In Czechoslovakia when night shifts were worked the working week was restricted to five nights. In Bulgaria, the shifts are regulated as follows:

Two Shift System—

First Shift	..	.. 5 a.m. to 2 p.m.
Second Shift	..	.. 2 p.m. to 11 p.m.

One hour's rest is included in both cases. The shifts must change over each week.

Three Shift System—

First Shift	..	.. 5 a.m. to 2 p.m.
Second Shift	..	.. 2 p.m. to 11 p.m.
Third Shift	..	.. 11 p.m. to 5 a.m.

The first two shifts include one hour's rest. The third shift is a six-hour shift without a break. The shifts must change over each week, so that the first two have a weekly rest of 48 consecutive hours and the third a consecutive rest of 36 hours and no work on Sunday night. The report of the Washington Tripartite Technical Conference on the Textile Industry refers to the recent tendency to shorten hours of work and to increase wages when shift working is introduced. In the textile industry in Great Britain where shift working had been introduced, it was generally accompanied by a reduction in the length of the working week, and in most cases this reduction in the working week was accompanied by an adjustment of wages, so that the workers received wages for forty-eight hours, though working a shorter week. It may be added that the second shift ended at 10 p.m. The two-shift system was abandoned in the cotton trade in Great Britain after the war of 1914-18. The two-shift system (between 6 a.m. and 10 p.m.) for women and young persons has been applied in some of the undertakings in the wool and rayon factories. Most shifts work eight hours including at least half an hour for meals. As the work stops at 2 p.m. on Saturday, the working week for the morning shift is only 43 hours (7½ hours on five days in the week and 5½ hours on Saturday) and that of the afternoon shift only 37½ hours. The shifts change over every fortnight, so that the average working week of both shifts is 40¼ hours. In Italy, in the cotton industry, hours of work in undertakings working two or three shifts are 37½ in the week, paid for as 40. Another system prevailing in the Italian textile industry is that of working three six-hour shifts between 5 a.m. and 11 p.m. In Spain, where two shifts are employed, weekly hours of work are 45 for each, and where three shifts are employed,

42 hours for each. In the United States of America, as a rule, the Labour Code prohibits the working of productive machinery for more than two 40-hour shifts each week.

Thus, if the practice in these countries is taken as a guide, the need for reduction of hours in shift work becomes obvious. In fact, workers' organizations throughout the world have in recent years been carrying on a campaign for a 40-hour week. Dr. H. M. Vernon[1], taking note of this agitation, recommends the wide-spread adoption of the two-shift system (between 6 a.m. and 10 p.m.) as offering a means of reducing hours of work, which involves little or no reduction of wages, which is not unacceptable to employers and which is suited alike to conditions of trade depression and to times of trade revival. A modification of the two-shift system on the lines suggested by Dr. Vernon so that the second shift closes as early as possible at night would best meet our requirements. It would enable the worker to use a considerable part of the night for sleep and would thus largely mitigate the evils of night work. It would also not impose any considerable handicap on the industry.

We, therefore, recommend that textile mills must cease work for a period of at least six consecutive hours between the hours of 12 midnight and 7 a.m. except when a three-shift system is permitted and that a two-shift system should be allowed only on the basis of two shifts of 8½ hours each, exclusive of half an hour's interval for rest for each shift. This recommendation, we believe, will not only adequately meet the objections to night shift, without involving its entire abolition, but it will also secure to the employers all the advantages of two-shift work. To the workers an additional advantage of the arrangement recommended by us is that they will be required to be on the mill premises, at night as well as during the day, for nine hours only instead of ten as at present. It was urged in evidence that the workers would not like to begin work at 6 a.m., especially in winter, as that would entail their rising from bed at 4-30 or 5 a.m. Especially for women workers, 6 a.m. would be, it was stated, very inconvenient as they had to do household work. We have taken account of this objection on the part of the workers and our recommendation makes it possible for work to commence even as late as 7 a.m. The scheme we recommend is not entirely new to the industry. A shift system on somewhat similar lines prevails in a group of mills in Ahmedabad, with the management of which Mr. Kasturbhai Lalbhai is associated, where, however, on one day in the week the workers have to work ten hours instead of 8½ in both the shifts. We were assured by the representatives of the Ahmedabad Millowners' Association that if the Committee recommended the shift system devised by Mr. Kasturbhai the Association would be prepared to adopt it. The Marwadi Chamber of Commerce also favoured this system. Already in some mills in Ahmedabad a working week of 52½ hours prevails and the view of the representatives of the Sholapur mills in favour of an 8½ hour shift at night is defini e. Mr. Gordhanbhai

[1] Article by Dr. H. M. Vernon on "The Development of the Two-Shift System in Great Britain" published in the "International Labour Review", February 1934.

I. Patel, Manager of the New Shorrock Mills, Nadiad, was of opinion that a slight reduction of hours of working at night would not affect production. What would be lost by this reduction would, he thought, be gained in qual ty and regularity of attendance. In this connection, we may refer to the statement made by the Employers' Delegate of the United States of America at the Washington Tripartite Technical Conference on the Textile Industry that the reduction of hours had facilitated a change-over from a single shift to a two-shift system and that the latter system had now become fairly general in that country[1].

DESIRABILITY OF CHANGE-OVER SYSTEM.

The disadvantages of night shift become pronounced because, in most instances, workers have to do night work continuously without a change-over. In August 1939, 18 mills out of 38 mills working night shift in Bombay had a change-over system. In Ahmedabad, the change-over system is adopted in certain departments in seven mills out of 44 mills working night shift. The representatives of the Mill-owners' Association, Bombay, held the view that there was a great deal to be said in favour of a change-over system where night shift work was more or less permanent, but they referred to certain practical difficulties in the way of introducing the change-over system in some departments. The representatives of the Ahmedabad Millowners' Association endorsed this view and were prepared to work a fortnightly change-over system if the workers agreed. The representatives of the Millowners' Association, Bombay, were not in favour of a legal enactment, while Mr. Kasturbhai thought that that was the only way in which a change-over system could be smoothly worked. Mr. Johnstone was of opinion that if night shifts were regulated, the change-over should be made compulsory. A large number of women are employed in the winding and reeling departments, and as, under the Indian Factories Act, women cannot be employed at night, it is not possible to have a change-over system for these two departments. In some mills, especially outside Bombay, a few women are employed in some other departments also. As regards winding and reeling work, it was admitted by several witnesses that it could be done in the day in sufficient quantity to render the working of these two departments during the night unnecessary. In the group of mills under the agency of Messrs. E. D. Sassoon & Co., Ltd., women workers on day shift complete all the winding and reeling required both for day and night work. The number of women in other departments is too small to stand in the way of a change-over system being adopted. It was also urged that some mills did not work all the departments or the same number of looms or spindles at night as during the day and, therefore, found it difficult to have a change-over system. But this difficulty is capable of being met, with some adjustments.

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[1] "The World Textile Industry", Volume II, published by the International Labour Office, 1937, page 262.

The opinion among labour representatives on the subject of change-over was divided, but they all agreed on the need for a change-over with effective safeguards for permanent day workers. Mr. Dange, for instance, said that where night shift had been agreed to by the workers, a change-over could certainly be adopted. If there was any objection from any section of the workers, it should be inquired into and met; but he added that as representatives of labour they had some responsibility towards the night shift workers also and should influence and impress upon the day shift workers that "as members of the same fraternity they should see that they also work in a suitable manner". The Textile Labour Association, Ahmedabad, stated that there was no unanimity of opinion among workers on the question of change-over and that unless security of employment was guaranteed to the day workers, it was unfair even to suggest to them to do night work. The Association was, therefore, of the view that the acceptance of the change-over system should be left to the option of both day and night workers and added that the day workers would not reject it if the Committee recommended shorter hours of work for night shift with higher earnings. During oral examination, the Association's representatives said that if the hours of work were reduced and better conditions of work assured, the appeal to day workers to accept a change-over system would fall on willing ears.

The difficulty of the change-over from the point of view of permanent day workers deserves consideration. The night shift system may not be permanent and the day workers are naturally apprehensive that under a change-over system, when night shift is stopped, they may be dismissed without regard to the length of their service. Workers who are engaged for night work are naturally in favour of a change-over system. The advantages of a change-over system from the point of view of the workers on night shift are definite and clear. It gives to workers periodic relief from the irksomeness of night work and it may be an effective measure to induce them to accept night shift. It may reduce labour turnover and absenteeism. On the other hand, we realize the force of the day workers' disinclination to a change-over system. We, therefore, recommend that whenever night shift in a factory is stopped, workers should be retained in employment according to the length of their service. This is now provided for in the standing orders settled by the Industrial Court for the cotton textile industry. On this question there was unanimity among the spokesmen of employers and workers. This safeguard will meet the main objection of the workers to a change-over, and we, therefore, recommend that the change-over should be made compulsory by law. In occupations where women are employed, the Chief Inspector of Factories may, in exceptional circumstances, permit men working on night shifts, on jobs or machines attended to by women workers during the day, to be continuously employed on night work. Where the number of workers employed on night shift in a mill does not exceed fifty or ten per cent. of the total number of employees, whichever is less, the Chief Inspector of Factories may allow such workers to be engaged continuously on night shift for a period not exceeding six months. As regards the period of

change-over, there seemed to be a consensus of opinion that it should be a month. We recommend that the period be fixed at one month as it has to be a sufficiently long one to afford the workers a chance of becoming accustomed to altered hours and habits.

REGULATION OF NIGHT SHIFTS.

At present the working of night shift is begun and ended at the discretion of the employers. Under the existing factory legislation there is no control exercised by Government in this respect. All that an employer is required to do is to intimate to the Chief Inspector of Factories the starting of night shift. This is in accordance with the practice in other countries, in most of which, until recently, there was no special regulation of night work and the employer was not bound by law to obtain a permit or to notify the authorities when starting night shifts. Where shift work is subject to regulation, the rules apply either to women or young persons or to men engaged in continuous process work. The reason is that the tendency in most countries is to discourage the working of more than one shift in non-continuous processes save in special circumstances. Recently, however, some countries have brought night shift under control, the notable instances being the Irish Conditions of Employment Act of 1936 and the provisions of the Award of the Australian Court of Arbitration for the textile industry.

We think the present position, so far as starting night work is concerned, is unsatisfactory, and we recommend that a system of licensing should be adopted with a view to ensure that the minimum requirements regarding lighting, dining accommodation as well as working conditions generally are satisfied. Before permission is given for starting night shift, an inquiry must be made by the Chief Inspector of Factories who should be notified at least fifteen days before night shift is intended to be started. The regulations regarding lighting, dining accommodation, etc., must be definite and must be strictly enforced.

We have referred elsewhere to the spasmodic manner in which night shifts have been worked resulting, in several instances, in considerable unemployment and economic disturbance among the workers. This can be prevented by making it a condition of the license that night shift work should continue for a certain minimum period. The Textile Labour Association, Ahmedabad, suggested that the employer should give a guarantee before starting night shift that it would be worked for at least six months. Mr. Dange was of the same opinion. Mr. Ambalal Sarabhai was in favour of regulating the periods during which night shifts might be worked. The Chief Inspector of Factories laid special stress on the need for providing a minimum period during which night shift was to be worked, and, according to him, this should be from six to nine months. We think this may prove to be too long a period for several mills to continue to work with profit, especially if the night shift had been resorted to to meet a temporary demand for goods. We, therefore, recommend that once any type of night work is started it should be continued for a minimum period of three months. The Chief Inspector of Factories may, however, be empowered to permit, in exceptional circumstances, the working for shorter periods of night shift which involves the employment of not more than one hundred workers.

Allied to this question is that of the minimum period for notice of closure of night shifts. It was suggested on behalf of labour that three months' notice should be given before night shift was closed, in order to enable the workers to seek new employment. Mr. Johnstone considered this period reasonable. The employers' representatives realized that the present period of notice, namely, a fortnight, was insufficient and they were prepared to extend it to one month. They, however, opposed a further extension on the ground that a sudden stoppage of demand might make the continuance of night shift financially undesirable. It was also suggested that a longer notice might encourage sabotage on the part of workers. About this suggestion, Mr. Banker said that there had been no instance of such sabotage and that it was not in keeping with the general nature of the working class in India. Mr. Pryde also said that he had not heard of any instance where, in such circumstances, the workers had caused damage to cloth or machinery. Besides, if the workers were inclined to cause damage, they could do so even when the period of notice was a fortnight. The representatives of the Ahmedabad Millowners' Association in this connection made another suggestion that, in order to avoid the spasmodic working of night shift, any mill which closed down night shift should not be permitted to restart it within a period of six months of its closing down. This, however, does not meet the needs of the situation inasmuch as it might prevent a mill from restarting for six months even though circumstances in the meanwhile may have justified the resumption. Having provided that the minimum period for the working of night shift should be three months, we do not think it is necessary or desirable that a longer notice than that of a month should be given to permanent workers for the closing down of night shift.

We do not favour the working of three shifts, as it involves work after midnight. We recognize, however, that there may be exceptional circumstances justifying three shifts, and we, therefore, recommend that special licenses may be given by the Chief Inspector of Factories for working of three shifts provided the factory concerned is prepared to continue the shifts for a sufficiently long period. Special permission may also be given for work to be done between midnight and 7 a.m. for certain departments, such as the engine room.

DRAWING-IN DEPARTMENT.

There is one department, however, in which night work should, in no circumstances, be permitted, and that is the drawing-in department. The Gujarat Sarni Kamdar Association of Ahmedabad urged that it was not desirable for workers to work at night in this department because the work involved considerable strain on the eye. It also said that the drawing-in work could be done during the day in sufficient quantity to meet the requirements of two shifts. As a matter of fact, the majority of the mills in Ahmedabad did not work night shift in this department. We do not think that there would be any serious practical difficulty in getting all the work required for two shifts done during the day in this department, especially as the amount of the capital expenditure involved in extending this department would, be very small.

WINDING AND REELING DEPARTMENTS.

A large number of women are employed in the winding and reeling departments, and as night work for women is prohibited under the Indian Factories Act, some employers urged this fact as a practical difficulty in the way of a change-over system. We have already provided for men working in place of women at night to be allowed to be employed continuously in night shifts. This is, however, undesirable as a regular practice. The difficulty has been overcome by several mills by getting all winding and reeling work done during the day time. We recommend that, as far as possible, winding and reeling work should be completed during the day.

ALL-INDIA REGULATION OF NIGHT SHIFTS.

The Millowners' Association, Bombay, in its memorandum, while recognizing the advantages of night shift, pointed out that there were inherent dangers in the unlimited working of night shifts and stated that there was no effective machinery to ensure its regulation on an all-India basis. In a subsequent chapter we consider the question of regulating production. But this is only one aspect of all-India regulation of night shift. The other aspect is that if the statutory conditions under which night shift is permitted in one province do not exist in other provinces, the competitive capacity of mills in that province may suffer. It was this consideration which prompted representatives of employers to urge that, if the working of night shifts was to be regulated by law, the law must be an all-India one applicable to every province. This view deserves careful consideration and we suggest that the All-India Industrial Council, the early establishment of which is urged by us, should examine the question of regulating night shift for the whole country. Obviously, all-India action on this subject, if it could be secured without much delay, would be welcome. On the other hand, it has to be remembered that the provinces are now competent to undertake labour legislation and there is much to be said in favour of the view that if one province gives a lead in regulating night shifts other provinces will follow suit. We, therefore, recommend that legislation on the lines suggested by us be undertaken in the Province of Bombay as early as possible.

DIFFERENT KINDS OF SHIFTS.

The single and the double shift are the two main systems prevailing in the cotton textile industry in this Province. There are, however, other systems which are employed in some mills. The three-shift system is adopted by some mills of the Sassoon Group for the weaving department only. Each shift lasts for 7½ hours, including half an hour's rest, and there is half an hour's interval between each shift. We have in a preceding paragraph recommended that such a system should not be permitted except under a special license, as it involves working between midnight and 7 a.m. A different method of working known as the "Relay System" obtains chiefly in Ahmedabad. In this system there is continuous work even during rest intervals. This uninterrupted work is secured by dividing workers into two or more groups with different

rest intervals, so that while one group is having rest, the work of that group is carried on by the others in addition to their own. Another variation was that followed by the Shri Ram Mills in Bombay. The advantage claimed for this system was that the night shift ended at 12 midnight. The timings of the two shifts were as follows :

First Shift—

6 a.m. to 11 a.m. ..
3 p.m. to 7 p.m. .. } 9 hours.

Second Shift—

11 a.m. to 3 p.m.
7 p.m. to 12 midnight } 9 hours.

A still different system obtains in the Jayashankar Mills, Barsi, the shifts being arranged as follows :

Day Shift—

Batches.	Starting times.	Stopping times.	Intervals for rest.
A ..	6-30 a.m. ..	7-30 p.m. ..	9-30 to 1-30 p.m.
B ..	Do. ..	Do. ..	12-30 to 4-30 p.m.
C ..	Do. ..	4-30 p.m. ..	12-30 to 1-30 p.m.
D ..	9-30 a.m. ..	7-30 p.m. ..	12-30 to 1-30 p.m.

The systems described above may have the advantage of uninterrupted working of the machinery and of stoppage of work by midnight, but they possess serious drawbacks from the point of view of the workers. They are liable to abuse by the employment of workers for hours beyond those permitted by the Indian Factories Act. Again, in systems where shifts are split, the larger spread-over is most inconvenient to the workers unless they stay very near the mills. Either they have to waste considerable time in walking to and from their houses or to remain in the compound of the mills doing nothing. If they are not able to go home and rest, they have to be away from it and members of their family for a much longer time than when they are on the ordinary shift. The representatives of both the Bombay and the Ahmedabad Millowners' Associations did not favour such systems which have also been disapproved of by the Royal Commission on Labour in India. We recommend that all multiple shift systems should be prohibited except the double straight shift, and the three-shift system under a special license.

CHAPTER VIII.

RATIONALIZATION.

DEFINITION OF THE TERM "RATIONALIZATION".

One of our terms of reference directs us to make recommendations regarding "the measures which the employers, the employees and the Government should take to improve the wage level." An important measure for this purpose is what is known in modern industrial economy as "rationalization". Everybody connected with the management of an industrial concern speaks nowadays of rationalization, but this expression is used in such a variety of meanings that a discussion about it tends to result in confusion unless its exact connotation is defined beforehand.

According to its etymological meaning, rationalization means any measure or method which is based on reason, that is to say, any reasoned process as opposed to a merely empirical, traditional or haphazard process. Taking reason as the basis of science, it may mean any scientific, as opposed to an unscientific, process. In this, its widest sense, it may apply to all processes or methods used in all sciences. We are concerned with its use in methods pertaining to business or industrial organization and here also it is described in a variety of ways. The aim of the industrialist is to produce goods with as much profit as can be obtained in the prevalent circumstances, and from this standpoint his success would be measured by his efficiency in that direction. This would depend upon:

(1) the efficiency of machines in the production of articles with as little cost and as much rapidity as possible; in other words, with minimum of cost and maximum of output;

(2) the efficiency of men working on different processes in turning out the largest quantity of products of given types; and

(3) the efficiency of management in preventing waste and eliminating unnecessary costs.

The various definitions of rationalization as applied to industry have laid different degrees of stress on one of these forms of efficiency or the other. It is not necessary to examine all these definitions here. It is sufficient to give a few definitions which have been laid down by leading industrial institutions and conferences after mature consideration. One of the earliest of these is the one adopted by the International Economic Conference which met at Geneva in May 1927.[1] It defined rationalization as "the methods of technique and of organisation designed to secure the minimum waste of either effort or material. It includes the scientific organisation of labour, standardisation both of material and of products, simplification of processes and improvements

(1) "The Social Aspects of Rationalisation", published by the International Labour Office, 1931, page 6.

in the system of transport and marketing". The Conference also considered that rationalization aims simultaneously:

"(1) At securing the maximum efficiency of labour with the minimum of effort;

(2) At facilitating by a reduction in the variety of patterns (where such variety offers no obvious advantage) the design, manufacture, use and replacement of standardised parts;

(3) At avoiding waste of raw materials and power;

(4) At simplifying the distribution of goods;

(5) At avoiding in distribution unnecessary transport, burdensome financial charges and the useless interposition of middlemen."

The Conference also considered that judicious and constant application of rationalization is calculated to secure:

"(1) To the community greater stability and a higher standard in the conditions of life;

(2) To the consumer lower prices and goods more carefully adapted to general requirements;

(3) To the various classes of producers higher and steadier remuneration to be equitably distributed among them."

This definition and description of the aims of rationalization was approved by the International Labour Conference at its Eleventh Session in 1928. In 1931, the International Labour Office at Geneva issued a publication containing a series of studies and reports entitled "The Social Aspects of Rationalisation". It is stated therein: "Rationalisation means that, instead of traditional processes, established routine, empirical rules, and improvisations, use is made of methods that are the fruit of patient scientific study and aim at the optimum adjustment of means to ends, thus securing that every effort produces the maximum useful results".[1]

Definitions of rationalization have also been attempted by responsible authorities in various industrial countries. In Germany, which can be regarded as the birth-place of rationalization, the National Efficiency Board described it in 1933 as "the knowledge, testing and employment of all the means of increasing efficiency in the sense of the one best way to do work, which are furnished by science, technical development, economy, organisation, and every other branch of human activity".[2] The German Labour Front described the aim of rationalization in 1936 as placing man in the centre of the working process, requiring reasonable performance, combating waste and bringing enthusiasm into work. In the same year the Czechoslovak National Management Committee described it as "a systematic, reasoned and scientifically organised attempt at economising human activity and especially economic activity, so as to improve the quality and lower the price of products and thus increase the general well-being".[3]

In France, the French National Management Committee described rationalization as "first of all revising human activities with a view to

[1] Page 1.
[2] "International Labour Review", April 1938, page 429.
[3] Ibid, page 429.

replacing routine and empirical practices by practices strictly adapted to their end by a process of reasoning and based on scientific research ; it also means endeavouring as far as possible to strike a balance between the different elements in the economic system ; " while scientific management was meant to be " the application of the experimental scientific methods calculated to produce the best results with the minimum of means ".[1]

Although the central idea in all these and other definitions was the same, namely, the replacement of traditional and unsystematic routine methods by those of a scientific nature, some laid stress on scientific management, some on organization and others on efficiency as the basis for rationalization. It was felt that a clarification of the different phrases used in describing rationalization was necessary, and the Governing Body of the International Labour Office at Geneva asked its Advisory Committee on Management to give exact definitions of the basic terms. This Committee, which was composed of representatives of Governments, employers and workers and was assisted by experts, adopted the following definitions in May 1937[2]:

" I. Management, Scientific Management.

(*a*) Management is the complex of the continuous co-ordinated activities by means of which any undertaking or any administrative or other service, public or private, is conducted.

(*b*) Scientific management is management based on principles and methods that are the outcome of scientific research.

" II. Organisation, ' Organisation scientifique (du travail) '.

(*a*) Organisation is the complex of activities the object of which is to achieve the optimum co-ordination of the functions of any undertaking, or any administrative or other service, public or private.

(*b*) ' Organisation scientifique ' is organisation based on principles and methods that are the outcome of scientific research.

(*c*) ' Organisation scientifique du travail ' is the complex of the co-ordinated actions the object of which is to achieve and maintain the optimum arrangement of work in any undertaking or any administrative or other service, public or private.

" III. Rationalisation.

(*a*) Rationalisation in general is any reform tending to replace habitual antiquated practices by means or methods based on systematic reasoning.

(*b*) Rationalisation in the narrowest sense is any reform of an undertaking, administrative or other service, public or private, tending to replace habitual, antiquated practices by means and methods based on systematic reasoning.

(*c*) Rationalisation in a wider sense is a reform which takes a group of business undertakings as a unit and tends to reduce the waste and loss due to unbridled competition by concerted action based on systematic reasoning.

[1] " International Labour Review ", April 1938, page 428.

[2] " International Labour Review ", August 1937, page 251.

(*d*) Rationalization in the widest sense is a reform tending to apply means and methods based on systematic reasoning to the collective activities of large economic and social groups."

These definitions of rationalization and other allied terms are the result of deliberations of experts on this subject, and may be taken as authoritative for the purposes of our discussion. It is necessary to bear in mind that, according to these definitions, rationalization even in its narrowest sense does not consist of one isolated method, but is a combination of concerted and organized methods all of which together constitute one continuous process. The adoption of labour-saving practices, the installation of up-to-date machinery and the amalgamation of concerns are different aspects of the whole process of rationalization. The installation of up-to-date machinery resulting in the displacement of workers does not by itself mean that the industry is rationalized. Unless means are simultaneously devised by a process of reasoning and research to absorb the increased output and the released labour force, the so-called reform may harm rather than benefit the industry and the community. Such a change is pseudo-rationalization and not genuine rationalization. The rational method as opposed to an empirical method takes account of the far-reaching effects of economic, technical as well as social factors involved in the change known as rationalization. Much of the prejudice and opposition of the workers to the introduction of rationalization methods is evidently due to the piecemeal and unscientific application of rationalization. We pursue this point later on in this chapter. Here we only wish to emphasize the necessity of having a correct appreciation of what is meant by "rationalization".

It will be apparent from this discussion that rationalization has a wider as well as a narrower meaning. In its wider sense it means a reform in the various concerns in an industry taken together for the purpose of reducing waste and loss by concerted action. In its narrower sense it means a reform in a particular industrial unit for substituting uneconomic and inefficient practices by systematic and scientific methods. In one aspect of the latter sense, rationalization means improvement in labour productivity and efficiency, and all reforms of this type are grouped together and have been called "efficiency systems" in Bombay. It has been contended that such efficiency schemes are different from rationalization. We do not think that, according to the latest comprehensive definition given by the International Labour Office, efficiency schemes can be taken out of the sphere of rationalization. We, therefore, use the term rationalization as including efficiency schemes, and we propose to divide the treatment of the subject into three parts :

(1) Increase in production per man and machine and its relation to wages ;

(2) Improvement in the efficiency of workers and in working conditions ; and

(3) Financial and industrial reorganization.

We have treated each of these three parts separately. In the present chapter we shall deal with labour productivity and improvement in working conditions.

Having seen what rationalization means, we proceed to deal briefly with the history of rationalization, with special reference to the cotton textile industry, in some of the countries in which it has been introduced.

EXTENT OF RATIONALIZATION IN OTHER COUNTRIES.

Rationalization can be truly said to be one of the results of the Great War. Reduction of costs and measures of efficiency being of the essence of rationalization, it was natural that it should have been initiated at a time of extreme depression and industrial paralysis, as part of the determined effort to reconstruct the economic foundations of industrial organization. After the war, Germany found itself in desperate straits and had to adopt drastic methods of reform and reorganization. This movement for reconstruction was started in 1920-21 and was known in Germany as "Wirtschaftlichkeit" which can be rendered in English as "system of efficiency". The spread of economic depression led to its adoption not only in European countries but also in America and Japan. In all large-scale industries, economy and efficiency became the watchwords; the adoption of labour-saving devices, simplification and standardization of products, improvement in the skill and efficiency of workers and a number of allied reforms were sought to be introduced after a more or less scientific study of the physical as well as the human factors in industry. Ford and other industrialists considerably expanded certain industries—automobile, steel, chemicals, etc.—by the adoption of these methods. In the domain of the cotton textile industry, Japan and America introduced rationalization on a big scale. In England, however, it could not be adopted so successfully as it caused strikes and discontent among the workers who were thrown out of employment on account of the adoption of efficiency measures and who swelled the already large number of the unemployed textile workers. We shall briefly dwell here on the effect of rationalization on textile labour in these countries.

In Japan, where rationalization was put into force on a very large scale, its effects on production and employment during the decade 1923-33 were as follows: Although the number of spindles increased from 4,080,000 to 6,778,000, the number of workers on these spindles decreased from 163,000 to 129,000; the number of spindles per worker increased from 25 in 1923 to 52 in 1933; the production of yarn increased by about 42 per cent. and the output per worker was almost doubled. In the weaving section the looms increased from 53,000 to 74,000, while the number of weavers went down from 51,000 to 34,000; the number of looms per worker increased from 1·04 to 2·17; the production of cloth increased by about 67 per cent. and the total output per worker was more than doubled.[1] It should be noted here that the working hours which were 11 per day in 1923 were reduced to 10 in 1927 and further reduced to 8½ in 1931. The increase in the productivity of labour was, therefore, greater than what these figures show. This rise in productivity is due to a combination of various factors not found in any other country, namely, installation of up-to-date modern plant, merger of undertakings

[1] "The World Textile Industry", Volume I, published by the International Labour Office, 1937, page 209.

under one common management, closing down of several inefficient concerns, prevalence of a high standard of skill among workers together with a comparatively low standard of living, grant of State subsidies, standardization of products with vertical specialization and general improvement in the technique of production and management. It is to be noted, however, that, in spite of the vast increase in production and extension of plant, the effect of rationalization has been to reduce employment in the textile industry, especially in its spinning branch where it fell by 11 per cent. between 1929 and 1936.[1]

In the United States of America, also, the introduction of rationalization methods has increased labour productivity. Between 1923 and 1933 the number of workers employed in the cotton textile industry fell by 20 per cent. and the average increase in productivity per worker was about 18 per cent. High draft spinning, high speed winding and warping, and the system of allotting an increasing number of looms per weaver have been introduced on a fairly big scale.

In England the application of rationalization methods has not been so extensive as in Japan and in the United States. High draft spinning was confined to only 27 per cent. of all spindles in 1936, while the corresponding proportions were nearly 100 per cent. in Japan and 99 per cent. in the United States.[2] There was no appreciable modernization of plant or improvement in organization.

EXTENT OF RATIONALIZATION IN THE PROVINCE OF BOMBAY.

Rationalization in the form of " efficiency systems " was not attempted in the Province of Bombay till 1926. Before that year, no systematic effort was made to reduce the number of men on the machines or to improve their efficiency. In ring spinning each sider generally minded one side, the number of spindles in which varied from 120 to about 200. In weaving the two-loom system appears to have been generally prevalent, although in a few cases three and even four looms were given to individual weavers. The numbers of weavers attending one, two and more looms as revealed by the earliest of the Labour Office inquiries were as set out in the following table :

TABLE No. 43.

Number of One, Two and More Loom Weavers in the Province of Bombay, excluding Indian States.

Year.	Number of weavers with				Total No. of Weavers.
	1 loom.	2 looms.	3 looms.	4 looms.	
1921	1,198	41,121	399	287	43,005
1923	2,637	48,093	431	178	51,339

(1) " The World Textile Industry ", Volume I, published by the International Labour Office, 1937, page 313.
(2) Ibid, page 305.

The Tariff Board (1927) referred to the necessity of increased efficiency and larger output per operative, especially for mills in Bombay City. It mentioned that the number of spindles looked after by each operative in India was 180, while in Japan it was 240, in England 540 to 600 and in the United States 1,120. The number of looms attended to by one weaver in Japan averaged 2½, in the United Kingdom 4 to 6, in the United States 9, while in India it was usually 2.[1] The quality of the raw material and the working conditions were unfavourable to the introduction of efficiency methods. To our knowledge, the first systematic attempt at rationalization in Bombay was made by Messrs. E. D. Sassoon & Co., Ltd., in 1926 in the Manchester Mill. They extended the system to some other mills under their agency during the next three years. A detailed account of the manner and the circumstances in which rationalization was introduced will be found in the written statement on the "Efficiency System" submitted by the Millowners' Association, Bombay, to the Bombay Strike Enquiry Committee, 1928-29, and published as Appendix XII in its report. A perusal of that statement will show the difficulties which Messrs. E. D. Sassoon & Co., Ltd., had to encounter on account of the opposition offered by the workers, who were naturally aggrieved by the unemployment created. The measures initiated in the Sassoon Group of Mills affected almost all departments, but principally ring spinning, where two sides were given to one worker, and weaving where the three-loom and four-loom systems were brought into force in three mills. Mr. Stones has in his evidence furnished us with a list of the efficiency measures introduced in the mills under the agency of Messrs. E. D. Sassoon and Company, Ltd., in the spinning as well as in the weaving department. These are as follows :

	SPINNING DEPARTMENT.	
Mixing Room	..	1 man to look after two hopper feeders.
Blow Room	..	1 man to look after two scutchers.
Card Room	..	1 man to mind 16 to 18 cards.
Drawing Frames	..	2 men to look after 3 heads.
Roving Frames	..	1 man to look after 2 roving frames.
Ring Frames	..	1 man to look after two sides.
Doffers and Tarwallas	..	1 man to look after 450 spindles on coarse counts and 600 spindles on fine counts.
	WEAVING DEPARTMENT.	
Winding (Grey)	..	No change except for adjustments in speed spindles per operative.
Warping	..	Two frames per warper with extra creelers where necessary.
Sizing	..	One man per machine with extra Taper's labourers where necessary.
Beaming	..	No change except institution of wire healds with adjusted drawing rates.

[1] "Report of the Indian Tariff Board (1927)", Volume I, pages 136-137.

Weaving .. Four looms to a weaver with certain facilities, also six to a weaver with certain facilities and adjustment of hours. Also changes in jobbers' section with smash hands and beam gaiters.

Efficiency systems have been adopted by other mills in Bombay and have gradually been extended in scope. Although the greatest progress has been achieved in the ring spinning department and in the loom shed, a certain measure of progress has also been achieved in the allotment of two hopper feeders, two scutchers and two roving frames per individual and in asking two men to look after three heads of drawing. In the ring spinning department, about half the number of workers in Bombay work on the double side system. Generally speaking, there is no double side spinning on counts below 20s. Automatic looms have not been installed in large numbers in Bombay. We were told that one of the main reasons why they were looked upon with disfavour was that they would involve large capital expenditure. The unfavourable times and the opposition of labour have also been adduced as reasons why they have not been installed in large numbers. They still appear to be in an experimental stage in this Province. The following table sets out the numbers of men employed on the important efficiency systems of work on day shift in all cotton mills in Bombay for one month in each year from 1934 to 1939:

TABLE No. 44.

Number of Workers employed on certain Efficiency Systems in Cotton Mills in Bombay.

Type of Efficiency System.	Number of men on the system.					
	August 1934.	August 1935.	December 1936.	July 1937.	March 1938.	March 1939.
1. Two Hopper Feeders per man.	32	39	42	44	47	46
2. Two Scutchers per man .	106	134	168	157	178	183
3. Two men per 3 heads in drawing.	415	638	624	758	787	787
4. Two Roving frames per man.	323	596	590	760	797	759
5. Two Ring Spinning sides per man.	2,035	2,986	3,147	3,795	3,892	3,857
6. Three looms per weaver .	261	574	545	636	574	556
7. Four looms per weaver ..	2,111	2,192	2,754	2,735	3,079	2,716
8. Six looms per weaver ..	368	496	472	509	504	501

The wage inquiries conducted by the Labour Office make no distinction between persons attending one and those attending two hopper feeders and no separate figures of earnings are, therefore, available for these two groups. As a matter of fact, all hopper feeder attendants are included in the general occupational group of "opener attendants". The following table sets out the average daily earnings in 1934 and 1937 of workers on normal and efficiency systems of work in mills in Bombay for all the occupations set out in the above table except for hopper feeders :

TABLE No. 45.

Average Daily Earnings of Rationalized and Unrationalized Workers in certain Rationalized Occupations in Bombay.

Occupation.	Average Daily Earnings.	
	1934.	1937.
	Rs. a. p.	Rs. a. p.
Single Machine Scutcher Tenters	0 13 0	0 13 8
Double ,, ,, ,, ...	1 1 4	1 1 9
One Head Drawing Tenters	1 0 6	0 15 11
Two Men per 3 Head Drawing Tenters ..	1 2 2	1 1 5
Single Machine Roving Tenters doing own Creeling.	1 0 1	0 14 10
Double Machine ,, ,, ,, ,, ..	1 6 5	1 3 0
Single Side Siders (Men)	0 13 7	0 13 8
Double ,, ,, ,, ...	1 2 6	1 1 10
Two-loom Weavers	1 6 1	1 5 8
Three-loom Weavers	1 8 2	1 9 11
Four-loom Weavers	2 1 1	2 0 3
Six-loom Weavers	1 15 4	2 1 7

In Ahmedabad rationalization has not progressed to the same extent that it has in Bombay. The representatives of the Ahmedabad Millowners' Association allege that, in spite of their eagerness to introduce efficiency measures, they have not been able to do so on account of the

determined opposition of the Textile Labour Association. Before 1935. there was little rationalization in spinning and none in weaving, where the two-loom system was normal. The figures showing the progress made in the last six years have been set out in the following table which has been compiled in the same way as that for Bombay :

TABLE No. 46.

Number of Workers employed on certain Efficiency Systems in Cotton Mills in Ahmedabad.

Type of Efficiency System.	Number of men on the system.					
	August 1934.	August 1935.	December 1936.	July 1937.	March 1938.	March 1939.
1. Two Hopper Feeders per man.	7	5	5	6	6	6
2. Two Scutchers per man .	6	3	5	5	5	11
3. Two men per 3 heads in Drawing.	31	30	46	47	48	43
4. Two Roving Frames per man.	31	52	63	76	74	97
5. Two Ring Spinning sides per man.	792	1,239	1,514	1,062	1,841	2,002
6. Three looms per weavers.	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
7. Four looms per weaver .	32	*Nil*	76	116	100	*Nil*
8. Six looms per weaver ..	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*

The average daily earnings in non-rationalized and rationalized occupations in mills in Ahmedabad in 1934 and 1937 are set out in the following table :

TABLE No. 47.

Average Daily Earnings of Rationalized and Unrationalized Workers in certain Rationalized Occupations in Ahmedabad.

Occupation.	Average Daily Earnings.	
	1934.	1937.
	Rs. a. p.	Rs. a. p.
Single machine scutcher tenters	0 15 0	0 14 5
Two machine scutcher tenters	0 15 6	1 1 3

TABLE No. 47—*contd.*

Occupation.	Average Daily Earnings.	
	1934.	1937.
	Rs. a. p.	Rs. a. p.
One head drawing tenters	1 4 0	1 0 4
Two men to three head drawing tenters ..	1 6 3	1 1 11
Single roving tenters doing own creeling ..	1 3 0	0 15 7
Double ,, ,, ,, ,, ..	....	1 5 7
Single side siders (Men)	1 0 5	0 15 9
Double side siders (Men)	1 7 9	1 5 10
Two-loom weavers	1 14 8	1 9 1
Three-loom weavers	2 15 7	2 2 7
Four-loom weavers	....	2 4 7

In 1935 a wage dispute between the Ahmedabad Millowners' Association and the Textile Labour Association was referred to the arbitration of Mr. (now Sir) S. S. Patkar. During the arbitration proceedings, the parties came to an agreement, which was ratified at Delhi. That agreement, which is known as the Delhi Agreement, provided for, among other things, steps to be taken for introducing certain rationalization measures with safeguards. The portion of the agreement relating to these measures runs as follows:

"The principle of rationalization is accepted subject to the safeguards that the process of rationalization would be carried out in such a manner as to avoid imperilling the health of the workers and avoid creating unemployment among the existing employees of Ahmedabad mills, except in the directions indicated in clauses below:

Suitable machinery be created for the proper regulation of the process.

Unemployment incidental to rationalization will be confined to:—

(1) Married women whose husbands are benefited by the rationalization process.

(2) Persons whose connection with the industry is of less than a year's duration.

Any persons in the above category who are thrown out of employment in consequence of rationalization will be given preference over new persons in filling vacancies.

Such of the mills as are desirous of rationalizing the work in any section of the spinning department will be entitled to do so by granting the workers for doing double the work 45 per cent. of the wages otherwise due for such additional work provided that for counts below 28s in warp and 32s in weft up to 18s such rates will be 47½ per cent. In the case of ring frame spinning the word "double" means two sides.

The mills may proceed with rationalization from and after 1st April 1935, provided that it may be started forthwith (that is from now) in the following cases:

(1) In counts above 27s warp and 31s weft.

(2) In counts above 18s in mills which start night work or where new machinery is started after 31st December 1934.

"A scheme will be devised so that no new persons can enter the specified groups of mills till vacancies are created and for this purpose all the existing employees in such groups of mills and those whose claim to re-employment is not debarred under clause 6, will be registered before 30th June 1935. This clause will apply only to such mills as are desirous of adopting rationalization under this agreement.

"A Joint Committee of the Millowners' Association and the Labour Union will be appointed to supervise and regulate the working of the rationalization scheme in the industry.

"Any disputes arising in this connection which the Joint Committee has not been able to settle satisfactorily shall be settled finally by Arbitration."

It will be seen that this was a modest attempt which was confined to the spinning department and did not touch the weaving section at all. As regards the extent of the measures adopted, about 60 per cent. of the mills are now working on two sides in ring spinning, mainly in respect of medium and fine counts. We were told that the Ahmedabad Advance Mills. which worked on the four-loom system for some time, gave it up in 1938 after they became members of the Ahmedabad Millowners' Association.

The representatives of the Ahmedabad Millowners' Association stated that it had not been possible even to conduct experiments in rationalization in other departments owing to the opposition of labour. They added that the Joint Committee appointed under the Delhi Agreement functioned only for one year. The Textile Labour Association contended that, having regard to the quality of the raw materials used for the manufacture of yarn, it was neither possible nor practicable to adopt rationalization on coarse counts. With regard to weaving, it stated that any attempt to proceed with rationalization was bound to fail on account of the varying sizes of the looms in a single shed and the countless types of cloth that were being woven in a single unit. The fear of unemployment was also alleged to have been a deterrent factor.

In the next important centre, Sholapur, there is very little rationalization and it is confined to the roving and ring spinning departments in one mill. The figures showing the progress during the last six years are as set out in the following table :

TABLE No. 48.

Number of Workers employed on certain Efficiency Systems in Cotton Mills in Sholapur.

Type of Efficiency System.	Number of men on the system.					
	August 1934.	August 1935.	December 1936.	July 1937.	March 1938.	March 1939.
1. Two roving frames per man.	10	10	10	10	10	26
2. Two ring spinning sides per man.	26	10	9	8	10	115

The average daily earnings of single machine and double machine roving tenters in 1934 and 1937 were ten annas and one pie and nine annas and seven pies as against fifteen annas and one pie and fourteen annas and seven pies respectively. The earnings of single and double side siders for these two years amounted to nine annas and eight pies and eight annas and ten pies as against thirteen annas and nine pies and thirteen annas and five pies respectively. In the weaving section, there were 1,097 one-loom weavers as against 2,644 two-loom weavers on day shift working in 1937. The average daily earnings of two-loom weavers were approximately double those of one-loom weavers.

In the rest of the Province, there are practically no efficiency measures adopted. In the Gokak Mill, which is only a spinning unit, there is double side working on counts 30s and 32s, one man to two sides in doubling frames and two men to three heads on counts finer than 12½s in drawing frames.

ATTITUDE OF EMPLOYERS AND WORKERS TOWARDS RATIONALIZATION.

The employers and workers in our Province are opposed to each other on the subject of rationalization. Both sides look at it more from the standpoint of their own respective interests than from that of the industry itself of which they are integral parts.

The employers' case may be stated thus : The cotton textile industry is the premier national industry on which the livelihood of over 300,000 workers in the mills and a very large number of persons in subsidiary businesses in this Province depends. The industry in Bombay is today the largest supplier of cloth to the various Provinces of India, but has to face internal as well as external competition. Internal competition, though of recent origin, is growing in intensity on account of the establishment of cotton mills in other Provinces and

in neighbouring Indian States, in many of which wages and other expenses are lower. The external competition of British and Japanese imports, though restricted by the systems of protection and quotas, is not negligible, especially on account of the cheapness of Japanese cloth. Further, the poverty of the average Indian consumer necessitates the price of cloth being fixed at as low a level as possible. For these reasons, the mills should be in a position to turn out a greater volume of production at lower prices without affecting the quality of cloth. This result could be secured only by reducing expenses of production and by increasing the output with as little additional cost as possible; in other words, by increasing the efficiency of men as well as that of machines. The method of rationalization is the only one by which the volume of production can be increased and the cost of production decreased simultaneously. The employers assert that with better organization and the help of better raw materials and working conditions even old machinery is capable of giving greater output with a lesser number of men working on it, so that without undue strain the workers can produce more with increased earnings for themselves. It is claimed that modern machinery is being so perfected that its operation requires less and less manipulation and consequently causes less strain and fatigue. It is further claimed that the introduction of rationalization, though it may cause temporary unemployment by releasing redundant labour, would, if rightly and widely practised, enable the industry to stabilize itself and to expand. As a consequence, the workers retained in the industry will be assured of permanent employment and the displaced workers will obtain re-employment through the introduction of night shift working and the establishment of new factories. Consumers will be benefited by lower prices and investors will also gain by increased profits. Thus all persons concerned will share in the benefits resulting from rationalization.

The workers' case may be put thus: the theory of rationalization claims much more than it can achieve. It subordinates man to the machine, deprives him of interest and initiative and makes his work dull and mechanical. The greater the extent of rationalization the larger is the volume of output leading to a glut in production. Such overproduction, in its turn, results in cut-throat competition which is naturally followed by a slump in prices and the inevitable crisis. The increased efficiency sought to be created by rationalization generally amounts to nothing more than exploiting the worker by holding out the temptation of somewhat higher wages; its only result is to use labour for making higher profits for the capitalist. The greater the amount spent for rationalization the greater are the returns to the investors and the less the earnings with more work to the workers. In most cases, the greed and cupidity of employers lead them, under cover of rationalization, to reduce the number of workers without spending money for providing better raw materials and working conditions, with the result that the retrenched workers suffer from unemployment and the retained workers from additional strain and more fatigue. The existence of a large number of unemployed men disturbs the relations between capital

and labour and is a constant source of strikes, thus defeating an important object of rationalization, namely, the stability of the industry. Besides, unequal conditions and earnings in rationalized and unrationalized units create dissatisfaction among workers. Even if relief is afforded by unemployment benefits, it throws a heavy burden on society. It is also urged that even though rationalization may be practised in countries like Japan, America and England, which have export markets to absorb excess production, India which has a very small export market at the present time should look only to supplying its own internal market. And, if increased internal demand necessitates increased production, it should be brought about rather by increasing the number of mills than by resorting to rationalization.

We have endeavoured to present here the cases of both sides as fairly as we could, and we now proceed to examine them from the standpoint of the cotton textile industry as a whole. It must be stated at the outset that we are here dealing with complex phenomena which relate to human needs and economic uncertainties, so that it is dangerous to be dogmatic in formulating any conclusions. All that we can go upon are probabilities in the light of our experience and knowledge of human nature. We have to start with the fact that we are dealing with mechanically equipped factories run by power. There may be good and justifiable objections to the use of power machinery for supplying human requirements. But these are irrelevant for our purpose. If there are any inherent defects or drawbacks in the use of power machines, we have to take them for granted, and the most we can do is to try to reduce the degree of their evil effects. Another fact which we have to face is that the Indian cotton textile industry does not operate in a world of its own, but is a unit of the world textile industry. The price of cotton, its raw material, is regulated by international production and requirements. For finer counts we are dependent on foreign cotton and will continue to be so till we can raise long staple cotton in sufficient quantities. In spite of protection and quotas, the imports of foreign cloth are a factor which cannot be ignored. At present[1] our imports are in the vicinity of 206 million yards from the United Kingdom and 425 million yards from Japan. Our mills have thus to face the competition of Japan and Lancashire. Besides, cheap production must remain an important objective of the industry if we wish to see the mass of our population adequately clad. We must, therefore, take the fullest advantage of all means and resources at our disposal which will enable us to stabilize the industry and to face successfully the competition of other countries which have attained a high degree of efficiency in production. It is true that our export market is small, but our own internal demand should prove sufficient to call for much greater production than at present. It is, indeed, tragic, that even during a minor crisis, the mill agents should have to complain of large undisposed of stocks, while thousands of people are moving about in a semi-naked condition in the country. It has been said with truth that the producers of cloth must regard themselves as

[1] On the basis of the figures for imports for the year 1938-39.

trustees for the consumers. We must guard ourselves against being understood to suggest that the cotton textile worker, whose wages are below the living standard and who himself belongs to the poorer classes, is expected to make special sacrifices in providing cheap cloth for others. We confidently believe there is a genuinely rational method of running the industry in which higher wages and lower prices can go together. That such a method is within the range of economic possibilities is, in our opinion, borne out by the results obtained in highly rationalized industries in the modern world. By a judicious application of efficiency measures, the use of machinery could be made a means of raising the standard of living of wage earners. It has been well said that the standard of living of our workers must be steadily raised in harmony with the rate of progress of the machine. "The machine raises the output, multiplies our wants and creates more leisure. A working class enjoying sufficient leisure and earning adequate to keep up with the speed of the machine can make the machine a blessing to mankind, a vehicle of a higher civilization. An under-paid unhappy working class will cause the machine to work havoc in society."[1]

We are glad to note that neither of the two leading labour organizations in our Province that appeared before us, namely, the Bombay Provincial Trade Union Congress and the Textile Labour Association, Ahmedabad, took up a completely hostile attitude to the introduction of measures of rationalization in the industry. They both accepted the principle of rationalization but pleaded for effective safeguards in its application. Mr. Dange, on behalf of the Bombay Provincial Trade Union Congress, said that he was not opposed to rationalization as such under certain conditions, that he believed it would lead to an increase in wages if it was carried out properly and that there was no doubt it had come to stay. Mr. Banker, who gave evidence on behalf of the Textile Labour Association, Ahmedabad, was of the opinion that rationalization was to a certain extent a necessary evil, but he had no objection to rationalization, in the broad sense of the term, if it would help the country. He also observed: "As it is an effective way to attain the living wage, to the extent that rationalisation can help in enabling (the worker) to attain the living wage, it becomes necessary to resort to it."[2]

In view of these statements of leaders of textile labour, in which we generally concur, it is not necessary to elaborate the point that rationalization may lead to an increase in wage rates. The extent of the increase is a point of difference between the employers and the workers, but we deal with that point later. We may add that, besides effecting an increase in wages, it may also lead to a reduction in hours

[1] "Annals of the American Academy of Political and Social Science", 1931, quoted in "The Social Aspects of Rationalisation", page 222.

[2] It may be interesting to note here that a number of leading Labour Federations of Europe have expressed themselves in favour of the policy of rationalization accompanied by the policy of high wages. "The Social Aspects of Rationalisation", published by the International Labour Office, 1931, pages 223-230.

of work. We may note here the conclusions arrived at by the International Labour Office after an elaborate study of this question in " The Social Aspects of Rationalisation "[1]: " Measures of a collective nature for the reduction of hours of work lead the managers of industry to make efforts to rationalise their undertakings ", and conversely " the introduction of rationalisation methods favours a reduction in hours of work either by consolidating the progress already made or by paving the way for fresh progress." Thus rationalization and reduction of hours of work act and react upon each other. To the extent that hours of work are curtailed, there is less strain and more leisure for the worker in a rationalized department. The only instance of this tendency in the cotton textile industry of this Province is the reduction of hours from nine to seven for the six loom weavers in some of the mills under the management of Messrs. E. D. Sassoon & Co., Ltd.

It is true that rationalization by itself may not necessarily result in lowering prices. The amount saved from the reduction of the cost of production may be absorbed in increasing wages, incurring additional costs on new plant, improving working conditions and paying more dividends to the investors. In some cases, monopolist combines may even restrict production and raise prices, but a wise businessmen taking a long view would use the increase of productive power gained by rationalization for expanding the market for his goods by lowering prices. The evidence that we have received from experienced industrialists in Bombay and Ahmedabad is to the effect that the introduction of rationalization under existing conditions of competition between mills would definitely lead to a reduction in prices. We may quote here the opinion of J. A. Hobson, expressed in " Rationalization and Unemployment "[2]: " The free play of rising productivity can only distribute its gains fairly through falling prices that represent reduced costs of production per item of the increased goods. Any check to this process signifies a conflict of ' pulls ' or economic forces in the processes of production or distribution . . . All attempts to distribute increased prosperity between the Capital and Labour in the prospering trades without regard to consumers are inequitable and will remain constant causes of economic friction and waste."

If the use of methods of rationalization reduces the cost of production, raises the wages of workers and cheapens cloth, we have no doubt that India in general and our Province in particular stand in need of its adoption. It is, therefore, eminently desirable that all the three parties to be benefited by rationalization, namely, the employers, the workers and the State as representing the consumers should co-operate in facilitating its smooth working. It must be realized, above all, that the co-operation of employers and workers is vital to the success of rationalization. Wherever rationalization has failed, the failure has been mainly due to forcing it on the workers without the provision of proper safeguards, or to opposition on the part of the workers through a lack of understanding. If the employers are compelled to provide proper

[1] Page 127.
[2] Pages 105 and 106.

safeguards and to improve working conditions before resorting to rationalization and if the State takes upon itself the duty of alleviating the hardships caused by unemployment, most of the grounds of opposition would lose their force. And in this event labour leaders would be well advised to persuade the workers to accept it in their own interest. Once they appreciate its advantages and get accustomed to work on the rationalized system, the workers would not like to abandon it. The evidence before us gives support to this view. We were told by Mr. Stones that, if the management went back to old conditions in the rationalized departments of their mills, the workers would go on strike and this was partly conceded by Mr. Dange, who said that, although the workers were opposed to rationalization, those of them who worked on a rationalized basis stuck to it as they knew that their level of wages was not likely to go down. Whatever has been hitherto achieved by way of rationalization in Bombay has been mainly effected after prolonged disputes and strikes in which employers as well as workers have had their share of troubles. We have the opinion of a responsible and experienced officer of Government that in some cases employers have to thank themselves for strikes against the introduction of rationalization, as this process was unaccompanied by improvement in conditions of work. One of the great dangers of rationalization is that, unless it is gradually and scientifically carried out by co-operation between employers and workers, it would involve the industry in heavier losses on account of wastage of capital and constant labour disputes than would be the case if rationalization were not introduced. The International Economic Conference of 1927 laid down the following conditions, among others, for introducing rationalization, which, in our opinion, should always serve as a guide to employers, workers as well as the State :

> "It must be applied with the care which is necessary in order, while at the same time continuing the process of rationalisation, not to injure the legitimate interests of the workers ; and suitable measures should be provided for cases where during the first stage of its realisation it may result in loss of employment or more arduous work.
>
> "It requires, further, so far as regards the organisation of labour in the strict sense of the term the co-operation of employees, and the assistance of trade and industrial organisations and of scientific and technical experts."[1]

We are, therefore, definitely of opinion that, if the industry is to prosper, workers must be taken into confidence and earnest endeavours should be made to remove their just apprehensions. This takes us to the consideration of the measures to be adopted for facilitating rationalization.

The unpopularity of rationalization among workers is mainly due to the following apprehensions : (1) increased strain and fatigue ; (2) unemployment ; and (3) inadequate increase in earnings.

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[1] "The Social Aspects of Rationalisation", published by the International Labour Office, 1931, pages 6 and 7.

INCREASE STRAIN AND FATIGUE.

It was asserted by Mr. Stones, who has more experience of rationalization than any other person connected with the cotton textile industry in Bombay, that the worker should not feel overstrained if efficiency methods were introduced after improving working conditions and making time and motion studies of the reaction of rationalized work on the mental and physical condition of the worker. Stated differently, it comes to this, that for any particular set of workers in given conditions of work, rationalization can be introduced only if there is no undue strain on the workers. How to measure the strain is a question of scientific study which is usually undertaken by means of time and motion tests.

Time and motion study has been described as "the analysis of the methods, of the materials, and of the tools and equipment used, or to be used in the performance of a piece of work—an analysis carried on with the purpose of (i) finding the most economical way of doing this work; (ii) standardizing the methods, materials, tools and equipment; (iii) accurately determining the time required by an average worker to do the task, and (iv) training the worker in the new method."(1) This definition of the study makes clear the vast ground it covers and the varied equipment needed to carry it on. If properly conducted the study is no doubt valuable. It must, however, be remembered that, apart from investigations into the technical methods of production, time and motion study involves the measurement both of muscular strain and mental fatigue. It, therefore, calls for the services not only of trained engineers but also of well-trained industrial psychologists and industrial physiologists. As the psychologists always insist on pointing out, "time study and movement study as carried out by the industrial psychologist are totally different from time study and movement study carried out by one whose outlook is dominated by a training in engineering."(2) And, apart from the objection of labour that a staff engaged by the employer must always be biased in its observations, there are writers who doubt the possibility of an objective scientific measurement resulting from these studies. The following quotation gives an example of such criticism: "The method is quite sensible if rightly used, but the manner of putting on fatigue and other allowances makes amusing the claim that it is scientific method."(3) The attitude of the scientific worker as contrasted with that of the industrial engineer is indicated in the following quotation: "All time and motion study must be undertaken solely in the interests of lessened fatigue and never in the interests of increased production. When a proper system is carried out, increased production will probably result, and, in all cases which have come under the writer's notice, has actually taken place; but if increased production is made the object of the experiment the true issue becomes confused, and what purports

(1) "Motion and Time Study", 1937, by R. M. Barnes, page 1.

(2) "Industrial Psychology", edited by C. S. Myers, page 87.

(3) "Principles of Rational Industrial Management" by Gillespie.

to be a scientific investigation degenerates into a process of speeding up ".[1] We note these points in order to emphasize how thorough and many-sided these studies need to be and the caution with which their results must be used.

We have dwelt upon the subject of time and motion studies in order to impress upon the minds of employers the fact that rationalization cannot be ordered overnight. It requires improvement in the quality of materials and in working conditions, research for reducing strain and fatigue and reorganization of management and ovrhauling of machinery. We were told in evidence that, with the exception of a few mills in Bombay and Ahmedabad, little attention had been paid to effecting improvements or providing facilities necessary to render efficiency schemes successful. We would, therefore, commend the suggestion made to us that research and experiments for this purpose should be made in Bombay by the combined efforts of the Victoria Jubilee Technical Institute, the Technological Laboratory of the Indian Central Cotton Committee and the Department of Technology of the University of Bombay and that their results should be made available to cotton mills in the whole Province. We also suggest that the millowners' associations may engage experts with competent staff whose services can be made available to member mills desiring to adopt efficiency measures. We now proceed to enumerate the improvements in working conditions necessary for increasing production and reducing strain on the workers.

(i) *Better Quality of Cotton and Mixings.*—The principal complaint which the workers made before us was about the number of breakages due to want of good cotton mixings, which made rationalized work difficult for them. Spinning with inferior mixings leads to a disproportionately heavy number of breakages, thus imposing an arduous task on the workers. It is, besides, not profitable to the employer as production also suffers. The Millowners' Association, Bombay, has made a recommendation to its member mills that the introduction of the two side system in spinning should not ordinarily be attempted unless, upon introduction, the number of breakages which an operative working on two sides would have to piece up does not exceed two per minute. But we received complaints that this recommendations was not being carried out. The Government Labour Officer (Mr. Pryde) stated that because of the large number of breakages he had resisted double side working on counts coarser than 30s. We were told that in Bombay several mills had allotted more than 400 spindles to a sider and that in Ahmedabad it was possible for one sider to mind 416 spindles without any extra strain, if superior mixings were supplied. The representatives of the Millowners' Association, Bombay, claimed that with good mixings it was possible to work double sides even on coarser counts, but they agreed that good mixings were a necessity for working more than one side and that otherwise it would not be profitable to them to work two sides. The same considerations govern the working of rationalized systems in weaving and other departments.

[1] Farmer, quoted by Viteles in " Industrial Psychology ", page 436.

(ii) *Good Machinery.*—The machinery must be kept in good condition for smooth working. It is not necessary for rationalization that the machinery must be new. Of course, the use of up-to-date machinery for high draft spinning with inventions like the Casablanca system gives higher and better production, but it is mainly the quality of the raw material that passes through the machinery and not the machinery itself on which the reduction of breakages depends. All that is required is that it must be kept in good working condition.

(iii) *Reduction of Speed.*—It was conceded by everybody that the speed of the machine should be lowered if the number of men working on it was to be reduced, because high speeds increase the number of breakages. There are two kinds of drive in the ring spinning department: (1) belt drive; and (2) individual motor drive for each frame. On the belt drive, revolutions range from 8,500 to 9,500 per minute according to counts spun. On the individual motor drive, the speed, when the frame is started, is 6,000 revolutions per minute, which is slowly increased by stages in about three to five minutes to a maximum of about 12,500 —again according to counts spun. If the frame was started off on the maximum, the breakages would be very large. We were told that the speeds at which machinery was run in Bombay and Ahmedabad were greater than even in America and that this was one of the reasons why the number of spinners per 10,000 spindles in India was larger than that in England, America and other countries. The Indian spinner, therefore, suffers by comparison.

(iv) *Ventilation and Lighting.*—It is clear that a worker cannot put in sustained and energetic work unless there is sufficient light and ventilation where he works. A number of mills which we visited did not appear to us to have made arrangements for proper lighting and adequate ventilation. The layout was crowded, with little room between the machines, with the result that more men than could be conveniently accommodated were packed in one room. The windows were usually kept shut and generally there was no air-conditioning plant. The lighting also was in some cases so defective that we were surprised how people could work in such conditions without suffering from eye strain. Humidity in many cases was in excess. On the other hand, we saw some mills in which conditions regarding lighting and ventilation left little to be desired. In a large number of mills, these conditions will have to be improved considerably before workers are asked to mind more machines. In a subsequent chapter we recommend the compulsory installation of air-conditioning plants.

(v) *Assistance to Workers.*—It is absolutely necessary that workers in rationalized departments should have assistance given to them for bringing and removing materials in the shape of occasional helpers for minding machines, etc.

(vi) *Cleaning and Oiling.* -A separate staff should ordinarily be engaged for cleaning and oiling machinery. At present, the operatives have to do this work themselves in some cases and this diverts their time and energy from their proper work.

(vii) *Regulation of Size.*—The number of spindles per ring frame and the width of a loom are important factors in the application of rationalization. The number of spindles generally varies from 240 to 540 per frame or from 120 to 270 per side. A sider who is asked to mind two sides may, therefore, be required to look after anything from about 240 to 540 spindles. Ring frames vary in size not only between centre and centre but also between unit and unit in the same centre. Double side working does not, therefore, involve the same amount of work in every unit. The width of the looms also varies according to the nature of the cloth. In those mills under the agency of Messrs. E. D. Sassoon & Co., Ltd., in which a weaver attends to six looms, the width of the looms does not exceed 54 inches. It is very difficult to introduce rationalization in weaving where there are a number of looms of different widths producing different styles and designs of cloth. Definite regulations should be framed regarding the width of looms and the types of cloth where more than two-loom weaving is resorted to.

(viii) *Rest Pauses.*—Researches have recently been made to judge the effect of rest pauses on continuous work. Concentrated work for a period of four to five hours naturally imposes strain on workers and there is, therefore, some slackening of effort especially in the latter part of the period. Experiments about this subject made in England show that a rest of ten minutes in the middle of the morning period as well as the afternoon period has a favourable effect on output. It is stated in a Report of the Industrial Fatigue Research Board[1] in England that "there are strong grounds for thinking that as a general rule, the influence of such rest-pauses is definitely beneficial. In many of the cases tried, the introduction of the system has been followed by an unconscious response on the part of the workers, reflected in an increase in the total output in spite of the reduction in the actual working time, whilst the opinions of the workers themselves, after they have once become accustomed to the change of practice, have usually been favourable." In this connection, we may refer to the complaints of the representatives of the millowners, especially in Ahmedabad, about the prevalence of the habit of loitering among the workers, who, it is alleged, waste more than an hour a day in going out of their departments on various pretexts. We refer to these complaints and suggest remedies elsewhere in this report. Here we are concerned with the strain of rationalized work and we think that employers would do well to consider the feasibility of introducing a short rest-pause during each working period in order to reduce strain and fatigue.

The above are the principal improvements in working conditions which we suggest should be made in order to relieve workers from the added strain and fatigue of rationalized work. There is another aspect of workers' efficiency which is even more important in this connection, namely, the raising of the level of their mental and physical

(1) "Rest-Pauses in Industry", 1927, S. Wyatt, page (iii).

capacity by measures for the improvement of their health and general well-being. That is a subject by itself and we, therefore, devote a separate chapter to it.

Before concluding the discussion about strain and fatigue, we may state that although workers on rationalized processes have made general complaints before us about the strain involved in their work, we are unable to pronounce any considered opinion on the extent of the additional strain, as we have no definite data on the subject. We have also no data about the incidence of sickness or occupational diseases among such workers. On the other hand, the representatives of the millowners urged that the workers felt no genuine strain and that they were capable of turning out still more production if they did not loiter about as at present. There is probably exaggeration on both sides. One thing, however, we believe to be true, and it is that an average textile worker in Bombay or Ahmedabad is capable of turning out as much and as good work as his compeer in industrially advanced countries, if he is properly looked after and trained and if there is co-operation between him and the management. That is also the opinion expressed before us by the representatives of millowners as well as by other persons having experience of Indian workers.

RATIONALIZATION COMMITTEE.

The conclusion at which we have arrived as to the necessity of improving working conditions for facilitating the introduction of rationalization takes us to the consideration of the machinery by which it should be regulated. Hitherto, an employer wishing to introduce rationalization has done so in any manner he thought expedient, and he has had, in consequence, to suffer often from stoppages of work. This is surely a method fraught with danger and disaster not only to the particular employer and workers concerned, but also to the industry in general. If it is of the essence of the success of any efficiency scheme that it should be launched with the co-operation of those who have to work it, this must as far as possible be done after mutual consultation and after securing the best technical advice available. We are, therefore, definitely of opinion that no employer should be permitted to start any efficiency scheme in his mill without previous consultation with the workers and without submitting the scheme to the scrutiny of technical experts. For these reasons, we recommend the setting up of a Rationalization Committee to be appointed by Government and consisting of three representatives of employers and three representatives of workers, with two expert assessor members, presided over by an independent chairman not connected with the cotton textile industry. The various millowners' associations and trade unions of the Province should be asked to recommend the names of suitable persons and Government should nominate the members from panels so formed. All members of the Committee, including the assessors, should have the right to vote.

The function of the Committee should be to examine schemes of rationalization submitted to it by employers and also to hear complaints and disputes arising out of such schemes already introduced. The

Committee should hear the employers and the workers or their representatives affected by a particular scheme on its necessity, its feasibility and its effect on the workers. For this purpose the Committee should inquire whether working conditions of the nature we have examined above have been established to its satisfaction. After the inquiry is complete, the Committee should publish its report in which it may sanction, reject or modify the scheme, or sanction it, subject to the fulfilment of certain conditions. If the report is unanimous, the employer will be entitled to introduce the scheme according to the terms and conditions laid down in the report. If it is not unanimous, the majority and minority reports should both be published and the findings of the majority report should be given effect to. However, any person or party aggrieved by the majority report should be entitled to apply to the Industrial Court, established under the Bombay Industrial Disputes Act, 1938, for a revision of the decisions embodied in that report. The majority report may be mainly in favour of one party, but if it is not wholly acceptable to that party, it also can apply to the Industrial Court for its revision. The Industrial Court, after a perusal of the reports and after hearing the parties concerned, if necessary, should publish its award. Thus, the employers can put into operation rationalization schemes only according to the unanimous or majority report of the Rationalization Committee, or under the terms of the award of the Industrial Court. No employer should be permitted to introduce any rationalization scheme, and no worker should be permitted to go on strike on the proposed rationalization until the matter is finally disposed of either by the Rationalization Committee or by the Industrial Court, as the case may be, and adequate sanctions by way of penalties should be provided for breach in both cases. The employers should have the liberty of taking steps to introduce rationalization as approved by the Rationalization Committee or the Industrial Court and if the workers employed in the departments to be rationalized refuse to work according to the approved scheme, the employers would be justified in discharging those workers without notice and without any unemployment gratuity and in engaging other workers. If any workers go on strike in sympathy with the discharged workers, such a strike should be regarded as unjustified. It is necessary that a time limit should be fixed for the disposal of these proceedings, and we suggest that the Rationalization Committee should publish its report within three months of its taking cognisance of the matter, unless the time is extended by consent of both parties. The party applying to the Industrial Court for revision should do so within one month of the publication of the report, and the Industrial Court should publish its award within two months from the date of the application for revision, unless the time limit is extended by the Court. The report of the Rationalization Committee and the award of the Industrial Court should be sent to Government as soon as they are published.

These provisions with regard to the constitution of a Rationalization Committee and its functions are a departure from the present provisions of

the law as relating to rationalization under the Bombay Industrial Disputes Act, 1938. We will first set out in brief the relevant provisions before discussing them. The introduction of rationalization or other efficiency systems of work is one of the industrial matters mentioned in Schedule II of the Act and Section 28 provides that an employer intending to effect any change in respect of such an industrial matter must give due notice of the change to the representative of the employees. The representative of the employee could, under Section 3 (29) be a registered or a representative union as defined in the Act, or, in the absence of either, not more than five representatives elected by the employees directly affected by the change, and if no such representatives are elected, the Labour Officer. Under Section 29, if such change affects only some of the employees engaged in an industry or occupation, the registered or qualified union may intimate in writing to other employers or association of employers that the employees in such industry or occupation are affected by such change. On this intimation being given, the other employees are also to be deemed to be affected by such change. Under Section 30, if an agreement within a limited time is arrived at in regard to the proposed change between the employer or the employers and the representative of the employees, the agreement is to be forwarded to the authorities, and after due inquiry it will be registered. Section 31 provides that where the Labour Officer is the representative of the employees, he must place the terms of the proposed agreement before a meeting of the employees concerned, and if the majority of those present accept the agreement, it will be regarded as accepted by all, but not otherwise. Under Sections 34 and 35, if the proposed change is objected to, the employer is to send a full statement about it to the authorities within a certain time. On receipt of that statement, the Conciliator has to start the conciliation proceedings in the prescribed manner and he has to endeavour to bring about a settlement of the dispute and induce the parties to come to a fair and amicable settlement. During the pendency of these proceedings, the Chief Conciliator may, under Section 36, intervene or direct a special Conciliator to intervene at any stage and take charge of the proceedings. Under Section 38, if a settlement is arrived at, a memorandum containing the settlement will be signed by the employer and the representative of the employees and recorded by the Registrar. Thereafter the change will come into operation. If, however, no settlement is arrived at, a full report of the proceedings should be sent to Government who will then publish it. Where a Labour Officer is the representative of the employees, he is required to place the terms of the settlement before a meeting of the employees concerned, and he will sign it on their behalf only if a majority of those present accept the terms. Under Section 39, it will be open to Government during the pendency of the proceedings before a Conciliator to refer the dispute about the change to a Board of Conciliation and if both the parties concerned agree, either prior to the commencement of such proceedings or after their failure to reach a settlement, to refer the dispute to a Board of Conciliation, it must be so referred. Section 23 provides for the constitution of Boards of Conciliation, which are to

consist of a Chairman and an equal number of members selected by the Government from panels representing the interests of the employers and employees respectively and both the Chairman and the members of the Board are to be independent persons in the sense that they should be unconnected with the dispute for which the Board is constituted and with the industry affected by the dispute. Boards of Conciliation have the same functions and powers as a Conciliator and whether a settlement is arrived at or not, they have to submit a report of their proceedings to Government, which will be published. Finally, under Sections 62 and 63, any strike or lock-out with regard to the proposed change before the conciliation proceedings are complete or after the expiry of two months of their completion would be illegal and punishable under the Act.

We now give in brief the reasons which have led us to suggest a separate Rationalization Committee in place of the conciliation proceedings under the Act. It is necessary to state here that three out of our four Associate Members were in favour of a Committee for Rationalization, though with functions somewhat different from those suggested by us. Mr. Sakarlal Balabhai was in favour of a Committee to be known as a Licensing Committee to supervise the introduction of rationalization and to issue licenses in order that the mills which were not capable of introducing rationalization should not be allowed to introduce it. He qualified this by stating that he was in favour of a Committee only for starting the work and not for permanent supervision. Mr. Khandubhai Desai stated: "Unless the Committee recommends a properly constituted independent permanent committee for the purpose of rationalization at all the centres, which, before giving license to a mill to rationalize, will satisfy itself that rationalization in that mill is possible, that it would not put unnecessary strain on the workers and that there would be no unemployment among the present workers, I think the Committee will not be justified in recommending rationalization and that it should be open to either party to appeal to the Industrial Court against the decision of the committee or if the recommendations of the committee are not properly carried out." Mr. Khedgikar was also of the opinion that before introducing any scheme of rationalization, there ought to be reference to a committee of experts and representatives of employers and labour, which must see that all conditions were fulfilled, and that, unless they were fulfilled, no mill should be allowed to introduce any measure of rationalization. Mr. Saklatvala was not in favour of a committee and he urged that it should be left to the management to decide what measures they would adopt in order to introduce and facilitate rationalization, because it was in their own interest to increase efficiency and not to decrease it. He added that if conditions for rationalization in any particular mill were grossly inadequate, the workers could always take the matter before the Labour Officer and have their grievances remedied. The evidence before us, especially that of Mr. Pryde, who, as Labour Officer in Bombay, had considerable experience of conditions of work in Bombay mills did not, however, support the optimistic view taken by Mr. Saklatvala. Mr. Pryde, who

was in favour of a joint committee of employers and employees to see that conditions relating to rationalization were satisfied, gave instances of mills which sought to introduce rationalization without improving working conditions.

Finally, Mr. Stones was of opinion that rationalization, if not really controlled, was liable to lead to a great many evils. He said: "A committee of experts on which labour would obviously have to be represented would have to pass the efficiency scheme, provided we can go to an Industrial Court or Arbitrator . . . There must be some Court of Appeal."

We think we have adduced enough support for our recommendation regarding a separate Rationalization Committee. We may only add that whatever measures of rationalization have been introduced in Ahmedabad have operated more smoothly there under the supervision of a Joint Rationalization Committee than in Bombay, where such measures have been introduced without joint consultation.

We think that questions connected with rationalization should not be allowed to be dealt with under the machinery provided for by the Bombay Industrial Disputes Act. Rationalization is a highly technical subject and should be dealt with and supervised by technically competent persons, a procedure not provided for in the conciliation proceedings. It is better that any measures proposed should be discussed by the representatives of both sides sitting together at a common table, with the assistance of technical experts than that the parties should be ranged on opposite sides in a dispute before a Conciliator who merely endeavours, if he can, to bring about a settlement of the dispute. In conciliation proceedings, moreover, it may be somewhat difficult to get persons to represent labour, unless there is a registered or a representative union in existence. In the absence of such unions, the election of five representatives of labour, or, if the Labour Officer is to represent labour, the necessity of his calling meetings of workers to ratify his actions will be a cumbrous procedure each time there is a dispute about rationalization. On the other hand, the Committee nominated from panels of both sides will be a permanent institution composed of competent and experienced persons. The Board of Conciliation as constituted under the Act would not be competent to deal with or settle technical questions relating to rationalization in cotton textile mills, as, under Section 23 of the Act, the members of this Board will have to be persons unconnected with the industry. If conciliation proceedings fail, there is no other remedy under the Act, except that parties may under Section 43 agree to go in arbitration to the Industrial Court, if the employees concerned are members of a registered union.

It is necessary that the report of the Rationalization Committee, if not unanimous, should be open to revision at the instance of any party aggrieved and we think the Industrial Court would be the proper forum for the final decision regarding the points of difference between the parties. If there is a strike or lock-out after the award of the Industrial

Court, the public will be in a better position to judge the merits of the dispute. Finally, one important aspect of our recommendation may be noted. Under the Act, if the conciliation proceedings fail, there is nothing to prevent the employer from attempting to introduce the rationalization measures under such conditions as he likes. According to our recommendations, he cannot do this, except in terms of the unanimous or the majority report of the Committee, or the award of the Industrial Court. We trust the recommendations we have made will go a long way towards removing the apprehensions of the workers regarding hasty and ill-conceived schemes of rationalization.

UNEMPLOYMENT.

We now take up the second objection urged by the workers against rationalization. It is agreed on all sides that the introduction of rationalization must cause some unemployment among workers as an immediate result. The installation of improved machinery in the preparatory processes, the elimination of certain processes in the frame department, the introduction of automatic looms, etc., also reduce the number of operatives in a mill. But this unemployment is distinct from that resulting from efficiency schemes in which, irrespective of the nature of the machinery, less men are employed per machine than before. All industrial countries adopting efficiency measures have had to tackle the resulting unemployment. It is true that the earnings of the workers retained in employment would increase, but that would be at the cost of a number of persons losing their jobs. It has been said with truth that the paradox of a rising standard of life with a high level of unemployment is a result of present tendencies in industry. With an increasing demand for cloth and remunerative prices, the volume of unemployment is likely to diminish as a result of the working of double shifts and the establishment of additional factories. But where an industry is losing markets on account of competitive conditions or where prices fall to unremunerative levels, the chances of the unemployed persons being reabsorbed in the industry gradually recede.

Should unemployment then be a reason for not resorting to rationalization ? This question can only be answered by asking another. In the particular circumstances of a country, would an increasing volume of unemployment be a greater evil than having a vital industry in a weak and inefficient state ? Such an industry would naturally be incapable of making sufficient profits to give its workers decent wages and to attract the requisite supply of capital and would steadily deteriorate, ultimately threatening to create a much greater volume of unemployment and economic distress. Taking all these facts into consideration, we are of opinion that rationalization in the cotton textile industry is the lesser evil ; and in order to minimize the volume and effects of unemployment caused thereby, we would lay stress on the necessity of a policy of gradualness in its application and of the grant of unemployment relief. It is true that, if efficiency measures are introduced in comparatively good times, there may be little or no unemployment because of

an increase in the working of night shifts. But such absorption of workers in night shifts may only be temporary. No doubt the need for rationalization is more felt in bad times, when the cost of production specially requires to be curtailed, but it is better to introduce it in comparatively good times, when the retrenched operatives can be reabsorbed. Even then, a certain volume of unemployment is bound to occur for which some form of relief must be provided. With that object, we make the following recommendations:

In the first place, we recommend that the workers to be retrenched should be those with the shortest length of service; and that the employers' associations should have the responsibility to see that the workers discharged as a result of rationalization in each centre are reabsorbed in the mills in that centre before new recruits are taken up. In another chapter, we suggest the creation of labour exchanges in Bombay, Ahmedabad and Sholapur, which could assist the unemployed workers in finding employment. The labour exchanges, millowners' associations and workers' organizations can by mutual co-operation do a good deal to reduce the volume of unemployment. In the second place, we recommend that an employer dismissing workers on account of the introduction of efficiency measures should pay out-of-work gratuity to the retrenched workers with service of one year or more at the rate of one week's pay for every six months' service exceeding a period of one year, subject to a maximum of six weeks' pay. Workers with twelve months' service should receive two weeks' pay. This gratuity will thus be paid on the following scale:

Workers with 1 year's service	..	Pay of two weeks.
Workers with 1½ years' service	..	Pay of three weeks.
Workers with 2 years' service	..	Pay of four weeks.
Workers with 2½ years' service	..	Pay of five weeks.
Workers with service of three years and over	..	Pay of six weeks.

For this purpose, the pay of piece workers should be based on the average of their earnings for the three months prior to the date of discharge and time workers should receive the gratuity on the basis of the pay given to them at the time of their discharge.

We are aware that this relief by way of a gratuity cannot be regarded as a complete remedy for unemployment, but it would undoubtedly give some help to the discharged workers. Our scheme may appear modest, but we think that, if measures of rationalization are to be encouraged, an unduly large burden for relieving unemployment should not be thrown on the industry. The public, also, as representing the consumers and benefiting to some extent by the existence of an efficient and stabilized industry, should bear some part of that burden. An unemployment insurance scheme would be a more comprehensive form of relief and we deal with it in another chapter. As we believe that that scheme, involving a contribution from employers, workers and Government, may take some time for its inauguration, we have

provided for immediate relief in the shape of payment of gratuity by employers. It may be noted that the Bombay Strike Enquiry Committee has put forward a similar scheme of gratuity.

INADEQUATE INCREASE IN EARNINGS.

The third objection of labour against rationalization is that, although the rationalized workers get increased earnings, the increases are not proportionate to the additional work thrown on them, and that it is not they but the employers who really benefit from rationalization. The employers' case is that although rationalization may involve additional work such work does not necessarily involve more strain. They contend that if an operative working on one side of a spinning frame minds two sides, his work is not necessarily doubled and that so long as the work is well within his normal capacity, the number of machines he is asked to mind is immaterial. He is not, therefore, entitled to additional wages in proportion to the increase in the number of frames, sides, looms, etc., looked after by him. In short, their case is that additional wages are justified only when the work imposes extra strain on him. It is also contended that the employer, before introducing rationalization, has to incur heavy expenditure for providing improved machinery, better raw materials and more satisfactory conditions of work. There will be no incentive for rationalization if the benefit of the reduction in cost is swallowed up by an unduly large increase of wages. We think both the parties base their cases on suppositions which may or may not hold true in particular cases. Whether the work or strain is increased by minding more sides or looms and, if so, in what proportion, cannot be ascertained except by examining, in each particular case, the working conditions, the state of the machinery, the quality of the raw materials and the normal capacity of workers. In a mill with good machinery and working conditions, even four-loom weaving may cause less strain than two-loom weaving in a mill with inferior conditions and it may be urged with some degree of force that the weaver in the former case is not entitled to get double of what the weaver gets in the latter case. At the same time, it is very desirable that the rates for rationalized working should be standardized in each centre, so that all workers working on a particular kind of system get uniform rates.

According to the scheme that we have suggested, the Rationalization Committee will allow the introduction of rationalized methods if the necessary conditions and tests are satisfied and these conditions will be the same for all mills in each centre. On the fulfilment of these conditions, there will be uniformity of working and with it uniformity of standardized rates, with the result that neither the employers nor the workers will have any grievance about disparity prevailing in different mills. This, it will be seen, affords additional justification for the appointment of the Rationalization Committee.

The standardization of rates for rationalized working is, in our opinion, also highly desirable from another point of view. There has been a good deal of divergence in the views expressed before us as to the percentage

of the gains of rationalization to which workers are entitled. The labour representatives in Bombay have urged that all gains of rationalization should go to workers if the employers do not incur any additional expenses, and they tentatively put 80 per cent. for workers and 20 per cent. for employers as the proportion in which the gains should be distributed. In Ahmedabad, where rationalization prevails to a limited extent, the workers get 45 per cent. more for minding two sides in the case of counts above 28s in warp and 32s in weft and 47½ per cent. more for counts below 28s in warp and 32s in weft down to 18s according to the Delhi Agreement. We were told that this percentage was fixed as a result not of any scientific calculation but of bargaining. The workers began by asking for 60 per cent. and the employers initially offered only 30 per cent. The representatives of the Ahmedabad Millowners' Association contended before us that the 45 per cent. was too high and that not more than 15 per cent. should be given. They cited the example of Lancashire where they said 17 to 20 per cent. was given. The representatives of the Millowners' Association, Bombay, stated that different percentages ranging from 33 per cent. to 50 per cent. were given for different types of rationalized work. They were not in favour of fixing any definite percentage of increase. Mr. Stones stated that it was impossible to do so. According to him, the standard of living, the nature of work, the amount of work done and the capacity of the industry to pay should be the guides in fixing the increases in each scheme, and in doing so an attempt should be made to improve the lot of the workers who were underpaid in relation to the higher paid workers.

We are against fixing a uniform percentage for distributing what are called the gains of rationalization. We think that, instead of having an arbitrary uniform percentage for all types of rationalized work, the increases for each existing type in each centre should be separately standardized after taking all the relevant factors into consideration. For new types of rationalization that may be worked in future as well as for efficiency measures that may be introduced in centres for which a standardization scheme cannot be framed, we recommend that the Rationalization Committee should fix the percentage increases after taking into consideration the particular circumstances of each centre.

We have now dealt with the three objections to rationalization urged by labour, and we hope that the recommendations we have made for meeting them will, if adopted, considerably reduce the points of difference between capital and labour and bring about that degree of co-operation between them without which no scheme of rationalization can be worked with success.

CHAPTER IX.

FINANCIAL AND INDUSTRIAL REORGANIZATION.

Rationalization in its widest sense comprehends all measures that can, on grounds of systematic reasoning, be recommended for adoption by an industry for improving its technique, its management and its finances. The term "scientific management" has been defined as management based on principles and methods that are the outcome of scientific research. Although the technical terms "rationalization" and "scientific management" have come into vogue recently in India, the need for technical and financial reconstruction was appreciated by some of those in charge of the textile industry in the Province of Bombay, at least soon after the depression that followed the post-war boom in India and elsewhere. Further, when the industry claimed protection from the State, the question of reorganization came very much to the fore and an exhaustive treatment of the subject is found in the Report of the Indian Tariff Board (Cotton Textile Industry Inquiry), 1927. The subsequent investigations by the Tariff Boards of 1932 and 1936 deal with the extent to which the industry took steps to reorganize itself.

MERGERS AND COMBINES.

The Tariff Boards considered the problems of reorganization mainly from the points of view of the State, which is called upon to grant protection, and of the consumer, who is called upon to pay for this protection. Any reorganization of the industry that takes place may be expected to react on the position of labour in it and it is with this reaction that we are principally concerned in the present inquiry. Among our terms of reference is one which requires us to examine and report on the measures which the employers should take to improve the wage level. We propose to confine our attention in this chapter to the broader aspects of the problem of reorganization and concentrate on such measures as may be helpful in increasing technical efficiency and in effecting economies in the cost of production. Reference has been made in some of our previous chapters to the desirability of raising the wage level, in course of time, to the living wage standard and certain measures have been recommended for improving conditions of work. It is obvious that most of our recommendations will involve some increase in the cost of production, and it is unlikely that in a highly organized and competitive industry, such as the cotton textile industry, any appreciable share of the higher charges will be passed on to the consumer in the shape of higher prices. It follows, therefore, that these charges will have to be met by taking all possible steps to eliminate waste, to secure economies, to reorganize management and to reduce overhead costs. In all countries, where there is a well-developed textile industry, its leaders and the State have, in recent years, increasingly directed their attention to the question of its reorganization. Uniform success may not have attended all attempts at reorganization made in these countries. Nevertheless, in India, as elsewhere, it is only by

pursuing methods of scientific management in the widest sense of the term that the industry can meet the demands of labour for better conditions of life and work and still retain its competitive capacity.

The problems of reorganization have been classified by a writer[1] under three heads : (1) merger ; (2) modernization ; and (3) management. Increasing the size of the operating unit as a means of securing the advantage of low manufacturing costs has been one of the main directions along which attempts have been made in various countries to reinvigorate the cotton textile industry. Japan provides the most well-known example of the successful working out of this method. In that country, almost the entire industry is controlled by five huge corporations, and in this, as in other industries, Japan has resorted to a programme of cartellization. It is not, therefore, surprising that when the post-war boom passed and a period of depression set in, some prominent mill agents in Bombay considered the possibilities of this method of reorganization and engaged the services of foreign experts to draw up, and advise on the details of, a scheme for a merger in Bombay. The Report of the Indian Tariff Board (1932)[2] contains a brief description of this project :

"Under this scheme no less than thirty-four mills under seven managing agency firms were to amalgamate with the objects of :—

(i) standardisation of products ;

(ii) reorganisation of qualities so that single types or ranges of yarn or cloth might be allotted to individual mills ;

(iii) concentration of purchase and sale by single well-defined units ;

(iv) avoidance of duplication of work ; and

(v) elimination of uneconomic machinery.

"Each mill was to be valued and taken over by the merger corporation at its present day price paid in ordinary shares ; its unsold stocks were to be paid for in cash, and nothing was to be paid for goodwill. The control of the corporation was to be vested in a Board of Directors with working committees to carry out the following duties :—

(1) Purchase of cotton.

(2) Sale of yarn and cloth.

(3) Purchase of machinery and stores.

(4) Management of mills.

(5) Arrangement of finance.

(6) Organisation of research and statistics."

Both Sir Ness Wadia and Mr. F. Stones in their evidence before us gave valuable information about the scheme that was drawn up in 1930 and explained why the plan had failed to receive general acceptance. Being

(1) "Some Aspects of Rationalization", Sir Mark Webster Jenkinson, 1929, page 1.

(2) Page 74.

an old established industry, the Bombay cotton textile industry is imbued with the spirit of individualism to a greater extent than the newer industries of the country. The natural aversion of independent undertakings to amalgamation, the difficulty of satisfying the varying financial obligations of the different constituents, the disinclination to sacrifice capital, all these considerations which prevailed with the majority of the millowners, when the amalgamation scheme was first projected, may stand again in the way of its revival in the same or in any modified form. Besides, there are well-defined limits beyond which the process of centralization and large-scale operation fails to yield satisfactory results. Further, in any scheme of amalgamation the initiative which the management of an independent unit of production enjoys is liable to be impaired and the flexibility of operations which is valuable for successful working is often lost. As the Tariff Board (1932) observes, in the existing circumstances of the cotton textile industry, better results are likely to be attained by economies accruing from close personal attention than from production or management on a larger scale.

The movement towards increasing the size of the units of production is due to the desire "to reduce overhead costs per unit of output by spreading the costs of management and of non-manufacturing operations over a larger volume of output."[1] To the extent that these results can be achieved, the process of amalgamation is undoubtedly welcome, but it is not certain that this end cannot be attained except by the formation of mergers. Various authorities hold that a fair-sized unit can enjoy all the economies open to a large combine. A spinning mill with 1,00,000 spindles is not considered too small for the purpose in Lancashire. Much, of course, depends on the structure of the industry and the class of goods manufactured. An American writer observes that no changes in processes have occurred in recent years which require a larger plant simply to obtain efficient operation of manufacturing processes: "The general consensus in the trade is that a print cloth mill of about sixty thousand spindles attains the principal economies of large-scale management. For a mill producing coarser yarn fabrics such as sheetings, maximum efficiency could be attained in a mill of not much over thirty thousand spindles. These economies are largely economies of plant and plant layout rather than due to technical efficiency. Smaller mills could, for practical purposes, be considered as equally efficient in technical operation solely."[1] An idea of a fair-sized unit for the industry in the Province of Bombay can be had from the view put forward by Mr. Kasturbhai Lalbhai, in the course of his evidence, that concerns of more than 40,000 to 50,000 spindles and 1,200 looms had been found by practical experience to be too big to be run as efficient single units. The average size of units in Ahmedabad is somewhat smaller than that of the fair-sized unit favoured by Mr. Kasturbhai Lalbhai; the size of the average unit in Bombay approximates more closely to it. Apart from the inherent difficulties noted above, the fact

[1] Profits and Losses in Textiles," S. J. Kennedy, 1936, page 186.

that the industry has to turn out products in response to the infinite variety of the requirements of consumers renders the task of centralization very difficult.

An aspect of the question of reorganization is the possibility of recapitalizing units which were initially or at some stage in their history overcapitalized. This attracted the attention of the Tariff Board (1927) which held the view that " the tendency to over-investment in the boom period was much more marked in Bombay than it was elsewhere and that Ahmedabad was comparatively little affected." The Board recorded its opinion that the matter was one which required the further attention of the industry. The Tariff Board (1932) after examining the progress made in the direction of writing down of capital observed that the mills in Bombay had " evidently not failed to pay adequate attention to this recommendation of the Board ". The Special Tariff Board (1936) found that the position in Bombay had been complicated by the reconstructions which had taken place in that centre of the industry. The Board, however, held that in Ahmedabad the average capital cost of the mills which worked out at Rs. 63-0-0 per spindle and Rs. 1,575-0-0 per loom represented a fair estimate of capitalization for the purpose of calculating the overhead charges. During the last seven years, there has been further capital reconstruction in progress in Bombay and the position may now be taken as having been stabilized. It may be remarked that the capital cost of the average unit in Bombay is still somewhat over the figure held by the Special Tariff Board as a fair estimate of capitalization. If even in 1927, when there was definite evidence of overcapitalization, the Tariff Board could not regard it as a cause of depression, much less can the present position be regarded with any degree of misgiving on this account when the capital cost of the plant held by various units in Bombay has been written down.

While, for the reasons set forth above, the formation of large-scale combines and mergers may not be either suitable or necessary from the point of view of increasing working efficiency or financial stability, the same considerations do not apply to the possibility of securing economies in the cost of production by resort to other forms of joint action. The formation of pools for certain specific purposes represents a more modest method of reorganization which has, within degrees, yielded satisfactory results. The usual illustration of this method is the machinery set up by the textile industry in Japan for the purchase of cotton. In Bombay, much success has been achieved by the Millowners' Association in negotiating with the Tata Hydro-Electric Agencies Ltd., for securing gradual reductions in power costs from ·725 of an anna per unit, which was the usual charge in 1926, to ·35 of an anna per unit in 1939. Success has also attended the efforts of the Association in organizing the insurance of risks arising out of the application of the Workmen's Compensation Act, 1923. The scope for economy in a field like this is evident from the fact that the Millowners' Mutual Insurance Association, Ltd., has now accumulated a fairly considerable surplus fund, indicating the economies that have been achieved by this form of joint action. No

corresponding arrangements obtain in Ahmedabad where many of the mills carry their own risks; nor is a mutual organization contemplated either in Bombay or in Ahmedabad for undertaking insurance against fire. The main difficulties are stated to be those of raising adequate initial capital and devising suitable arrangements for reinsurance. Neither of these difficulties is insuperable. Although the rates for fire insurance have been brought down as a consequence of the joint action taken in respect of insurance against compensation claims, the possibilities of securing further economies by organizing a mutual fire insurance concern deserve to be further explored.

Substantial savings were obtained in Ahmedabad when orders for machinery of fairly considerable extent were placed jointly in 1931-32, and there is no reason why mills cannot permanently organize themselves for such action. Ahmedabad appears also to have experimented, though not on a well-organized basis, with the joint purchase of consumable stores. The general argument advanced against joint purchases is the same as used in relation to mergers, namely, that, beyond a stage, large scale operations provide no scope for economy and that, on the contrary, the bulking of large orders, provides occasion for distributors to raise prices. While the joint booking of orders may not secure appreciable reduction in price for all types of purchases, it is certainly worth while examining whether by extending the scope of joint action in this direction substantial economies cannot be secured in all the centres of the industry.

In view of the fact that the cost of cotton represents nearly half the cost of production of cloth, any economies effected in its purchase will materially affect the profit margin. It is of interest to note here that in 1933 there was a proposal put forward in Lancashire for a Textile Co-operative Society, one of the objects of which was to be the joint purchase of cotton and the purchase or leasing of ginneries in cotton-growing countries. Cotton is a world commodity over the prices of which purely local factors can exercise comparatively negligible influence. Economies can, however, be sought by organizing the purchases efficiently, by ensuring that the burden of the distributive charges is reasonable and by examining whether by joint action these charges can be reduced. The Tariff Boards (1927 and 1932) did not see any grounds for recommending a change in the practice followed by a majority of the mills in Bombay of purchasing their cotton from the central cotton market in Bombay. A number of mills supplement such purchases by employing agents to buy cotton in the cotton-growing areas. The latter is the usual method followed by mills outside Bombay for the purchase of their requirements of cotton; and this represents an advantage especially to mills located in or near the cotton-growing areas inasmuch as they are able to reduce the processing, marketing and transport charges. That advantage they can derive only if they possess the requisite financial resources for buying the major part of their annual requirements during the season and only to the extent that they consume local cotton. Mills which buy in the organized cotton market of Bombay do not have to finance their purchases for prolonged periods

and they are in a position to cover the risks of fluctuations in prices by hedging the bulk of their purchases. The purchasing of Indian cotton by joint arrangements is not favoured by mill agents, as the requirements of mills differ widely. Inasmuch as the managing agents are in a position to maintain daily touch with the Bombay and upcountry markets, they can manage to buy at the cheapest possible rates and hence joint purchases, it is urged, may not secure any additional advantage. Bulk purchasing on a joint basis presents special advantages to buyers separated by long distances from the cotton-growing areas. And while the experience of the combined arrangements for purchase on behalf of the Cotton Spinners' Association of Japan—which are reported to result in a saving of from 3 per cent. to 5 per cent. —may not be applicable to purchases of Indian cotton by our mills, a combination for the purchase of imported cotton, more especially of Uganda cotton, may result in savings, as pointed out by the Tariff Board (1927). The Cotton Spinners' Association of Japan has secured valuable concessions in the freight charges on the cotton transported from India by negotiating agreements with the various steamship lines. The need for following up the suggestion in this behalf made by the Tariff Board (1927) is all the greater now, in view of the much larger quantities of imported cotton consumed by the mills, particularly in Bombay and Ahmedabad.

FINANCE.

The system of financing the industry is of importance from two points of view. Firstly, if it is unsuitable or undeveloped, it may hamper the progress of the industry. Secondly, the system may impose unduly heavy burdens by way of interest charges. Certain methods of financing have been evolved in the industry in this Province, such as the financing of a portion of the block account by short-dated deposits, which though unusual and theoretically unsound have so far, in practice, served the needs of the industry fairly satisfactorily. A system of debentures is preferable, although if the debentures are floated in a period of high money rates, the incidence of interest charges is likely to be felt as onerous when the level of interest goes down. But, while in a well-organized and developed industry only a small proportion of the block account may have to be financed by these means, the industry, as a whole, including the flourishing units, has always to resort to credit from outside for its current requirements. Borrowing against floating assets in the shape of stocks of cotton, yarn and cloth is almost universal. The incidence of interest charges on these borrowings does not at present appear to be heavy, but the credit machinery needed for the purpose is still not as well-developed and capable of automatic expansion as that in other industrially advanced countries. To remedy this defect, a system of licensed warehouses was recommended by the Indian Central Banking Inquiry Committee and the Bombay Provincial Banking Inquiry Committee recommended that warehousing arrangements be provided in the cotton trade centres of Bombay, Ahmedabad and Sholapur, so as to facilitate the financing of the trade in Indian

piecegoods. Dealers in imported goods are in a favourable position in that they obtain suitable warehouse accommodation in the godowns of the Bombay Port Trust, the warehouse receipts of which are acceptable to bankers as documents of title to goods. It was to provide a similar easily negotiable security for Indian piecegoods that the formation of a warehouse corporation was projected by the mill agents in Bombay, but the scheme was abandoned on account of the subsequent depression in the industry. With the prevalence of easy money conditions, facilities for the grant of financial accommodation by banks have developed in recent years, but the need for a warehousing corporation has not disappeared. Under Section 17 (4) (*d*) of the Reserve Bank of India Act, the Reserve Bank of India can discount bills issued against documents of title to goods such as warehouse receipts or warrants issued by a party distinct from the lending agency, but that Bank cannot have the possession of goods transferred to itself. Another defect in the credit system also needs to be rectified. To provide for credit against goods in transit during the process of marketing, there should be a suitable credit instrument that can be easily negotiated. For this reason we endorse the recommendation of the Indian Central Banking Inquiry Committee that railway receipts should be placed by the legislature on the same footing as bills of lading and should be drawn in a form which made the instrument negotiable. For this purpose, it is necessary, of course, that the railway receipt should contain as full and accurate a description as possible of the goods conveyed by it.

DIVERSIFICATION OF PRODUCTION.

Diversification of production has considerable importance in strengthening the competitive capacity of the industry. This was the view of the Tariff Board (1927) which recommended that Bombay should utilize more fully its natural advantages in the matter of climate and situation for the production of goods of higher counts than it had done in the past. The figures in the following table show that substantial progress has been made by mills in Bombay during the last few years in the manufacture of fine count yarn :

TABLE No. 49.

Production of Yarn of above 30s counts by mills in Bombay.

Year.	Quantity produced in lbs.
1924-25	11,173,429
1925-26	8,388,778
1926-27	13,508,268
1927-28	17,308,191

TABLE No. 49—*contd.*

Year.	Quantity produced in lbs.
1928-29	11,700,348
1929-30	17,703,103
1930-31	33,165,058
1931-32	42,432,836
1932-33	44,494,805
1933-34	32,232,672
1934-35	43,857,049
1935-36	56,756,926
1936-37	58,593,240
1937-38	84,601,675
1938-39	88,281,829

An idea of the extent of the development which has taken place in the manufacture of piecegoods from fine count yarn can be had from the figures given in the following table showing the production of dhotees and cambrics and lawns. (The average count used in the manufacture of these goods is generally over 30s.)

TABLE No. 50.

Quantity of Dhotees, Cambrics and Lawns manufactured in Cotton Mills in the City and Island of Bombay.

Year.	Production in yards.	
	Dhotees.	Cambrics and Lawns.
1924-25	110,996,543	2,442,682
1925-26	115,412,150	1,449,052
1926-27	150,181,287	351,516
1927-28	168,795,029	2,395,462
1928-29	86,508,559	1,802,004
1929-30	170,834,693	797,275
1930-31	229,412,394	7,511,763
1931-32	287,565,729	14,536,295
1932-33	343,077,157	14,601,172

TABLE No. 50—*contd.*

Year.	Production in yards.	
	Dhotees.	Cambrics and Lawns.
1933-34	239,599,716	14,638,606
1934-35	268,086,183	31,688,207
1935-36	407,118,987	41,101,800
1936-37	317,301,230	43,975,560
1937-38	357,178,040	79,461,401
1938-39	457,364,646	64,284,081

In paragraph 82 of its Report, the Tariff Board (1927) had pointed out that one remedy for the depression in the industry in Bombay was an expansion in the production of bleached, coloured, dyed and printed goods. There has been a considerable development in the production of bleached and printed goods in Bombay during the last ten years. A special inquiry was made at the time of the appointment of the Tariff Board (1932) in order to ascertain the extent to which the bleaching side of the industry had developed and the following statements have been compiled from the returns then received:

In 1927, 19 bleaching establishments bleached 20,985,277 lbs. of cloth.

In 1931, the same concerns bleached 31,157,967 lbs. of cloth.

In addition, 4 establishments, which did not do any bleaching in 1927, bleached 1·3 million lbs. of cloth in 1931.

It is understood that since the publication of the Report of the Tariff Board (1927), seven mills in Bombay have installed printing machines and that orders have been placed abroad for more.

MARKETING.

In recent years, the organization of marketing has come to occupy a very prominent place in all schemes for industrial reconstruction. An American writer points out that the most significant factor today in the textile industry has been the economy of large-scale merchandizing and selling and that among the current proposals directed towards the recovery of the industry, one of the most widely accepted is that advocating the formation in the industry of a larger number of integrated units in which the production and marketing of finished goods would be carried on under one management.[1] A common co-ordinated policy for enlarging existing markets, the investigation of new uses for cotton fabrics, the systematic exploration of export markets—these

[1] "Profits and Losses in Textiles", S. J. Kennedy, 1936, page 187.

are among the numerous directions along which action has to be taken as part of a programme of reconstruction. It may be noted that the establishment of an Export Development Committee, the function of which is to make recommendations to the Cotton Industry Board for promoting the development of the British export trade, is one of the integral parts of the Cotton Inquiry (Reorganization) Bill. In India at present the marketing of the products of the cotton textile industry, like all other operations, is carried on on an individualist basis. There is also a hierarchy of middlemen interposed between the manufacturer and the consumer in rural and urban areas. The only noteworthy joint attempts at organizing internal marketing are the appointment of trade correspondents in Bombay, Calcutta and Amritsar by the Millowners' Association, Bombay, and of a Marketing Officer in Amritsar by the Ahmedabad Millowners' Association The former helps in building up contacts of which advantage is taken by individual mills or groups. The latter appointment was short-lived, the post having been abolished after a preliminary market survey had been conducted. The Millowners' Association, Bombay, has also published a pamphlet on "Where to buy Indian Piecegoods and Yarn". Similarly, both in Bombay and Ahmedabad, action has been taken to ensure that the quality of a particular cloth is maintained. In Bombay, since 1933, a system of registration of trade numbers covering mills which are members of the Millowners' Association, Bombay, has come into operation. From 1st January 1935, there has also been in force a separate scheme for the registration of trade names. The schemes are applicable only to member mills, including those in Sholapur. The Ahmedabad Millowners' Association introduced early in 1939 a scheme for regulating the use of trade numbers. A series of numbers is allotted to each mill and another series to merchants and the merchants are supplied with a list of the trade numbers of mills. All the numbers are advertised. The Ahmedabad Millowners' Association believes that under its scheme there is no possibility of overlapping of numbers. Apart from these efforts, there has been no joint action in this field initiated either in Bombay or Ahmedabad and the conditions of unregulated competition persist, notwithstanding the recognition on the part of mill agents of the desirability of taking some unified action. Attempts have been made in India to organize the marketing of sugar and of cement jointly on behalf of the manufacturers. With the formation of a merger of the various cement companies in Bombay the co-ordinated arrangements for the marketing of cement are no longer needed. The marketing organization for sugar concerns itself mainly with fixing a minimum price and prescribing from time to time the quota of a unit's production to be marketed so as to adjust the supply to the demand. Within the narrow limits in which it operates, this form of regulation has worked well. It has been urged, however, that the conditions of the market for cloth are so different from those of other markets that the experience in the marketing of cement or sugar is of little applicability. None-the-less, the evils of unregulated competition are so obvious that the need for some form of joint endeavour becomes imperative. The

division of the markets on the basis of the sources of supply, the allocation of the production of specialized sorts to specific units or centres, the better organization of the export markets for the common benefit of the industry—these matters must, in our opinion, receive earnest attention if unbridled competition is to be checked.

The Tariff Board also considered that a better organization of the export trade in piecegoods would be of considerable assistance to the mill industry in Bombay. It indicated that the first measure to be taken might be a rapid survey of the potentialities for the marketing of Indian manufactures in certain countries. A survey of some of the territories mentioned in the Tariff Board's Report was made in 1928 by the Indian Trade Mission, the expenses of which were borne partly by the Millowners' Association, Bombay, and partly by the Government of India. The Trade Mission recommended the appointment of Trade Commissioners at three centres; but so far appointments have been made at only two places, Alexandria and Mombasa. Another recommendation was that the industry should examine the feasibility of a combination of the mills interested in the export trade for the purpose of arranging such details as the manufacture of lines required, the allocation of quantities among the members and the prevention of imitation of marks and numbers. The question of forming a combine on the lines indicated by the Tariff Board for the development of the export market was considered by certain members of the Millowners' Association, Bombay, interested in the export trade, but such a step was not deemed practicable. The Tariff Board further recommended in paragraph 101 that in the interest of the industry it was most important that it should have its own representatives in the principal export markets. Expenditure by the Millowners' Association, Bombay, in this respect should, it was recommended, be supplemented for four years by the grant of an equal amount from Government up to a maximum of Rs. 25,000 annually. The Trade Mission considered that an additional market for 80 to 90 million yards of cloth could be found in the territories covered by the Missions' Report, provided that a common selling organization was brought into being. This question was considered by the industry in Bombay after the Trade Mission reported, but it was felt by it that the increase in trade which was anticipated did not warrant expenditure on the large staff which the Trade Mission pointed out was necessary for the purpose. In our opinion, it is still worth examining whether a joint organization will not yield better results than the isolated efforts of individual mills.

IMPROVEMENTS IN PRODUCTION.

The Tariff Board (1927) indicated the considerable scope that existed for expansion of the production of bleached, coloured, dyed and printed goods, and recommended large-scale operation in the production of these goods by a concern to be assisted financially by Government if necessary. Soon thereafter, a scheme was drawn up for the establishment of a central bleaching, dyeing and printing

plant at Ambernath near Bombay. The history of the project is given in the following extract from the memorandum submitted to us by the Millowners' Association, Bombay :

"In view of the difficulties inherent in the concentration under one management of the many plants existing in Bombay for bleaching and dyeing, and to a lesser degree calico printing, the Association was of the opinion that the establishment of a combined factory on the lines proposed in the 1926 Tariff Board Report was not within the limit of practical politics. One of its members, however, with an extensive knowledge of the printed goods trade considered the matter carefully and came forward with a scheme for opening such a factory, provided certain facilities such as free supply of water and financial assistance were forthcoming from Government. The Association endorsed this application, but the scheme fell through as the Government of Bombay were not, in the first instance, willing to grant a cheap enough water supply and neither the Government of India nor the Government of Bombay were able to guarantee any financial assistance to the promoters of the scheme. However, as the Trade Mission which visited certain markets in Africa and Asia-Minor in 1928 stressed the importance of developing the production of bleached, dyed and printed goods, the question was re-opened, and the Association appointed an Expert Sub-Committee to consider the feasibility of establishing a central organization on receipt of an enquiry from the Government of India. Government desired to be informed whether the Association was still interested in the proposition and if so, whether there was any chance of the Association itself or a group of its associated members consenting to promote such an undertaking either independently or with Government financial assistance, and if so, what sort of assistance would be required. They also desired to be informed as to the extent of the capital which would be required for the establishment of a factory, its probable working results and the arrangements which would be made between the proposed company and Bombay mills to avoid the creation of a monopoly and to prevent profiteering.

"The financial position of the industry precluded the possibility of Bombay mills supporting a proposition of this nature, and any financial resources which mills might have at their command at the moment must, it was thought, be devoted to reorganization in the direction of replacement of old machinery on a larger scale than had hitherto been possible. Public support to a project on the lines outlined by the Tariff Board was also unlikely in view of the general conditions of the money market in Bombay and the continuous depression in the Textile Industry. In the circumstances, the Committee of the Association considered the possibility of erecting a central bleaching plant by concentrating under one control all the dyeing and bleaching machines in Bombay which would serve as a nucleus of a combined plant, but after a careful study of the data collected in this connexion, they were of the opinion that the cost

involved in the removal of individual plants and the difficulty of their adjustment to the requirements of an up-to-date bleaching and dyeing factory would far outweigh any advantage which might accrue."

This project represented a step in the right direction because a finishing plant to operate at high efficiency requires the handling of products in considerable volume, much larger than can be available in the average individual unit in the industry. After the abandonment of the scheme, a certain number of the larger units have set up their own bleaching establishments, while a smaller number have installed their own plants for printing.

Unlike the more recently developed industry in Japan, the textile industry in India is almost helplessly dependent on foreign countries for the machinery and the stores used by it. The industry cannot materially influence the nature of the supplies that it obtains from distant countries and has, therefore, to adjust its methods of working accordingly. Such a process may well react on efficiency. For this reason, as also from the point of view of ensuring a control over the supply of machinery and stores, in the event of international complications, the need has to be emphasized for those in charge of the industry encouraging subsidiary industries and interesting themselves in the production, within our own borders, of articles necessary for their normal requirements. The manufacture of bobbins and shuttles has been attempted though on a small scale, the manufacture of reeds and healds has recently been undertaken in Bombay, and even more recently a large company has been floated for the manufacture of starch. A detailed enumeration of the subsidiary industries that could be promoted is contained in the memorandum submitted to us by Mr. Stones:

"The textile industry of India is now sufficiently large to warrant big developments in ancillary industries, on which a small commencement has been made in the last few years. The manufacture of roller skins and roller covering works, shuttle and bobbin making, roller flannel, sizing flannel, shuttles and bobbins, ring travellers, preparation machinery and looms, healds (cotton and wire), reeds, dobbies, jacquards, engraving plants, calender bowl pressing plants and many other subsidiary industries, are all worthy of detailed examination.

"A start might also be made in manufacturing ring frames in the same manner that the Japanese used to develop these industries, namely, by importing rollers and spindles from abroad and making the remaining parts here. China and Japan have works for the manufacture of high drafting parts of excellent quality and with assistance and organisation such parts could readily be made here.

"This list could be extended, but sufficient has been written to show that there is a large scope for expansion, which, in addition to providing employment in new industries, would make the country more self-supporting in the event of world conflict and shipping difficulties."

TECHNICAL PROGRESS AND RESEARCH.

The Indian cotton textile industry has not, to our knowledge, any invention or any new process to its credit which represents an advance on the machinery and the methods it has copied from foreign countries. It is undoubtedly true that some concerns in Bombay and Ahmedabad have taken full advantage of recent improvements in machinery and methods and have brought their equipment and the working of their plants to a high standard of efficiency. That is, however, different from the technological progress that has been achieved, for example, in Japan where the industry had a later start. Though the fundamental characteristics of the manufacturing process in the cotton textile industry were stabilized years ago, the last twenty years have witnessed several changes designed with the twofold object of raising the output per worker and of improving the standard of uniformity of the product. Continuous process machinery in the blow room, vacuum stripping in the card room, high drafting of the Casablanca or other types, lengthening of frames, high speed winding and warping, improved machinery for dyeing and finishing—these are some of the innovations which have added to the efficiency of several mills in Bombay and Ahmedabad particularly. But, as observed above, besides adapting improvements in designs and in processes to Indian conditions, no technological progress has been recorded in the industry, either in this Province or elesewhere in India. The need for continuous technical development in a highly organized and competitive industry like the cotton textile can scarcely be overrated. The Shirley Institute, which is the central body for scientific and technical research for the British cotton textile industry, has been commended before us as a model for this purpose by the Indian Merchants' Chamber, Mr. Kasturbhai Lalbhai and Mr. Stones. This research association costs annually about £70,000 to run. The funds are obtained by contributions to the extent of two-fifths from the individual firms in the industry, two-fifths from the Cotton Trade War Memorial Fund and one-fifth from Government. An idea of the work of the Shirley Institute can be obtained from the following extract taken from a recent publication on the British cotton industry[a].

> "The programme of the research work at the Shirley Institute has been drawn up in consultation with sub-committees of technical men from the different branches of the industry. It covers the investigation of the raw material through all the manufacturing processes to the finished product in the form of yarn or cloth. A thorough investigation has been made of the various types of opening machines, with a view to determining the relative efficiencies of the different types of beaters. A study of the mechanism of carding has shown that it is possible to carry out modifications of the standard types of cards in directions which make for greater stability, easier setting, and some economy of machine cost and floor space. In

[a] "Report on the British Cotton Industry", published by the Industries Group, Political and Economic Planning, 1935, page 101.

spinning, extensive comparisons of the different systems and the influence of varied distribution of drafts, roller settings and weightings, twists and speeds, have provided definite information enabling spinners to choose conditions that are most suitable to their individual requirements. In addition to work of direct application of this kind, a good deal of very valuable basic research is being done. Publications are issued from time to time in the form of either memoranda or pamphlets which deal in every case with a fairly complete investigation, and give all the necessary data and conditions under which the research has been conducted. In addition the 'Shirley Institute Bulletin' is circulated to members, giving information on the progress of the research work.

"An investigation is needed to determine (*a*) how far the results of work of direct application done by the Institute are in a form which enables them to be quickly absorbed in works practice; (*b*) how far such results are actually utilised by members of the Institute; (*c*) what advances have been made in this way with particular reference to costs, quality and novelties; (*d*) what provision is made for maintaining adequate contact between the pure and applied fields."

In the United States of America, there are two bodies specially created for the work of research. One is the United States Institute for Technical Research which has been endowed by a group of textile manufacturers. The other is the Textile Foundation which was created by an Act of Congress to undertake scientific and economic research for the benefit of the textile industry and its allied branches. It is endowed with a fund of about $1,200,000 and is managed by a board of directors composed of representatives of the textile industries and the Secretaries of Commerce and Agriculture.

The Technological Laboratory of the Indian Central Cotton Committee conducts some technical research bearing on the use of various types of Indian cotton and assists in the testing of spinning machinery and the strength of samples of yarn. It possesses no equipment for work in weaving or the subsequent processes. The Department of Chemical Technology of the University of Bombay has been of help in stimulating interest in chemical research, especially from the point of view of the finishing processes in the industry, while at the Victoria Jubilee Technical Institute there are some facilities available for investigations about the mechanical side of the industry. Recently, there have been attempts at co-ordinating the activities of the three institutions and correlating their research work to the requirements of the industry. Dr. Nazir Ahmed, Director of the Technological Laboratory, gave some information about the contacts that had been recently established with the Millowners' Association, Bombay, and with the managerial and technical staff in the mills. We recommend that these arrangements should be systematized, regular co-ordination secured among all the three institutions referred to, and contact established not only with mills in Bombay but also with mills in other centres in the Province. We attach great value to technological progress and would point to the

action proposed to be taken in the United Kingdom under the Cotton Industry Reorganization Bill, 1939. According to clause 18 of the Bill, among the services to be performed by the proposed Cotton Industry Board for safeguarding and promoting the development of the industry are the following:

"(*a*) to conduct, and to promote or encourage by financial assistance or otherwise, research and experiments in matters relating to the manufacture of products of the industry,

"(*b*) to conduct, and to promote or encourage by financial assistance or otherwise, research and investigation in matters relating to the consumption of products of the industry,

"(*c*) to take such measures as the Cotton Industry Board think proper for increasing the consumption of products of the industry, including advertising and the giving of demonstrations and instruction with respect to the use of such products,

"(*d*) to collect and publish statistics and other information relating to the industry."

In this connection the question arises whether action along the lines indicated should be for the Province of Bombay alone or should necessarily be on an all-India basis. In the matter of research and economic investigation, we see no reason why action should not be initiated for this Province alone. We recommend that the Government of Bombay should, in consultation with the industry, take suitable measures for the promotion of technical research. The details of the scheme may be worked out in collaboration with the three institutions referred to above and towards the expenses of the proposed additional research equipment and establishment, half may be contributed by the industry and half by Government.

REGULATION OF OUTPUT AND PRICE CONTROL.

While effort in the field of technical research may usefully be on a provincial basis, action in the Province of Bombay alone can scarcely succeed in such matters as the regulation of output and the control of prices. Recent experience in the cotton textile industry in other countries emphasizes the need for such co-ordinated action. Several factors have combined to bring about a state of instability in this as in several other industries, chief among which are increasing productive capacity, restrictions on trade, vagaries of exchanges and fluctuations in the price of the raw material. The growth in productive capacity has apparently outstripped the increase in consumption, notwithstanding efforts to bring down the price level. The demand for cotton fabrics is not likely to expand appreciably in the near future, while with the introduction of rationalization and as a consequence of steady technical advance the productive capacity may grow continuously. The capacity of production to expand even with the existing equipment and condition

of technical efficiency is illustrated by the growth of output which occurred in India in 1937 and 1938. This is brought out in the following two tables :

TABLE No. 51.

Production of Woven Piecegoods (including Hosiery and Cotton Goods mixed with Silk or Wool) in Mills in India (British India and Indian States).

Month.	Woven Piecegoods (in thousands of yards).			
	1936.	1937.	1938.	1939.
January ..	2,94,099	3,18,271	3,56,472	3,57,178
February ..	2,89,938	2,91,972	3,36,206	3,21,655
March ..	2,93,131	3,10,202	3,61,371	3,38,877
April ..	3,01,281	3,23,908	3,73,435	3,51,081
May ..	3,07,875	3,27,453	3,64,967	3,49,415
June ..	3,03,431	3,27,375	3,40,871	3,42,991
July ..	2,98,252	3,29,890	3,52,347	3,35,425
August ..	2,78,885	3,24,798	3,70,586	3,24,129
September ..	2,82,887	3,40,985	3,61,114	3,35,988
October ..	2,85,520	3,56,819	3,29,104	3,29,172
November ..	2,70,379	3,21,723	3,46,560	....
December ..	3,23,033	3,77,275	4,11,476	....
Total ..	35,28,711	39,50,671	43,04,509	....

TABLE No. 52.

Production of Yarn in Mills in India (British India and Indian States).

Month.	Yarn (in thousands of lbs.).			
	1936.	1937.	1938.	1939.
January ..	91,457	89,676	1,07,156	1,17,494
February ..	87,298	85,182	94,933	97,974
March ..	85,545	88,287	1,01,141	1,02,769
April ..	89,453	89,723	1,05,381	1,04,778
May ..	92,355	90,757	1,05,574	1,06,672
June ..	90,608	89,408	1,00,903	1,07,529
July ..	91,261	93,280	1,11,146	1,07,899
August ..	86,199	91,908	1,15,679	1,06,604
September ..	83,150	95,950	1,12,740	1,01,207
October ..	86,035	1,02,224	1,04,185	1,03,017
November ..	80,069	94,226	1,10,850	....
December ..	88,362	1,10,009	1,18,281	....
Total ..	10,51,792	11,20,630	12,87,969	....

The early months of 1939 witnessed the accumulation of stocks in several centres of the industry as a result of the intensified productive activity of the two preceding years. With a declining level of prices, the demand was voiced from more quarters than one for some joint action for the control of output. The Millowners' Associations of Bombay and Ahmedabad took a lead in the matter and approached mills all over the country. The restriction of production on night shifts, the stoppage temporarily of a certain percentage of spindles and looms, the reduction of the working day or working week—these were among the proposals set down for common deliberation. Restriction of output may lead to regulation of the production of certain sorts and varieties of cloths and the laying down of standards. This, in its turn, may pave the way for the regulation of the prices for the standard varieties and for the reservation of markets for such varieties. In fact, once the principle of joint action is accepted, it may ultimately lead to control of supply and marketing through joint action. In the United States of America, there is a definite trend towards joint action in matters of general industrial policy[1], and in some of these matters the industry has already begun to act as a unit.

Voluntary action has also been tried in the United Kingdon, but as it failed to be effective, the Board of Trade recently introduced in Parliament a Bill for the Reorganization of the Cotton Industry on the representation of the industry itself. The main feature of the Bill is that it enables a Cotton Industry Board to be constituted to bring into operation schemes which are supported by a majority of the firms affected by the schemes, and controlling at least two-thirds of the capacity, turnover or other measure approved by the Board of Trade. The machinery to be set up by the proposed enactment consists of a Cotton Industry Board, a Cotton Industry Advisory Committee, a Representative Advisory Council and an Export Development Committee. The most far-reaching among the schemes that fall within the purview of the Cotton Industry Board are those for the acquisition and scrapping of redundant plant and for the determination of the prices of certain classes of products and of the processing charges that may be recovered in certain operations. The Bill provides for the recovery of the cost of the scheme by levying fees from manufacturers and merchants associated with the cotton textile industry, while there is provision for the grant of contributions by Government for the work of research, investigation and demonstration. These details are set forth to lend emphasis to the view that the time has arrived for steps to be taken in the interest of the healthy progress of the cotton textile industry to bring about some form of joint control over its development and to place some checks over the operation of the forces of competition.

From this point of view, it is gratifying that Bombay and Ahmedabad, the two principal centres of the cotton textile industry in the country, possess strong well-knit organizations and that the mill agents in Khandesh and Berar have recently formed a Millowners' Association

(1) "Profits and Losses in Textiles", S. J. Kennedy, 1936, page 210.

on the same model. Most of the mills in Sholapur are members of the Millowners' Association, Bombay, and so are the mills in Gokak and Poona. The mills in Viramgam, Nadiad and Broach are similarly connected with the Association in Ahmedabad. In the Province of Bombay, therefore, only a few mills remain outside the influence of one or the other of the millowners' associations. The membership of the various associations is set out in the following table:

TABLE No. 53.

Number of working mills which are members of Millowners' Associations in the Province of Bombay.

Region.	Number of mills working.	Number of mills which are members of		
		Millowners' Association, Bombay.	Ahmedabad Millowners' Association.	Khandesh, Berar and Burhanpur Millowners' Association.
Bombay	69	63(1)		
Ahmedabad	70		65(2)	
Sholapur	5	4		
Gujerat (excluding Ahmedabad)	7		4	
Khandesh	5			5
Maharashtra and Karnatak (excluding Sholapur and Khandesh)	8	2		

(1) Includes one mill which is also a member of the Ahmedabad Millowners' Association and one mill which is also a member of the Khandesh, Berar and Burhanpur Millowners' Association.

(2) Includes one mill which is also a member of the Millowners' Association, Bombay.

Individual employers who have remained outside the associations have sometimes refused to fall in line with the policy adopted by these bodies. At the same time, there have been occasions when a few of them have had a better understanding with labour than the associations themselves. The advantages of having all mills brought under the influence of the associations are undoubtedly great, but in view of the progress made by them in increasing their strength voluntarily, there is no need to insist on compulsory membership. However, for specific purposes such as the supply of marketing information or the application of uniform standards in the registration of trade numbers and labels, compulsion may be called for. It has next to be considered whether it will be possible for these bodies, by establishing close and continuous touch with similar associations in other parts of the country, to evolve a unified policy. Apart from the individualist spirit which is particularly

strong in isolated centres, the difficulties that present themselves are no doubt manifold. There is the inclination on the part of the undeveloped industrial centres to keep aloof from schemes for regulation for fear that their natural growth may be impeded. Units operating in the Indian States in which the standards of labour legislation and factory administration are inferior to those of British India may wish to exploit their local advantages unhampered by any restrictive action taken on the initiative of the well-developed industrial centres. The tendency to encourage self-sufficiency on a provincial scale may present a third set of obstacles. And, lastly, lack of uniformity in the matter of labour legislation and administration in different provinces may obstruct the emergence of a common outlook.

Similar problems did press for solution in relation to the sugar and jute industries, but the task there was simpler. Jute is practically a monopoly of the Province of Bengal, and it has, therefore, been comparatively easy for the Government of that Province and the Indian Jute Mills Association of Calcutta to enforce control. In virtue of the Bengal Jute Ordinance No. II of 1938, the Government of Bengal "may fix the times during which it shall not be lawful for each jute mill to be worked and for this purpose may fix different times for different jute mills." Further, it has been prescribed that, after the commencement of the Ordinance, "it shall not be lawful, except with the previous sanction of the Chief Inspector in writing, to increase the number of looms, nor to replace any existing loom in any jute mill." By an agreement entered into in January 1939, the members of the Indian Jute Mills Association have agreed to regulate production in the interest of the jute industry and trade. The working hours under this agreement, which it is expected will be operative for five years, will never be less than 40 hours a week nor greater than 54. This latter provision is, however, subject to certain safeguards and exceptions. To meet the altered situation created by the outbreak of war, some of these restrictive provisions have, however, now been abandoned.

The aim of the legislative measures enacted in the United Provinces and in Bihar for the control of sugar factories is not so much the direct restriction of production as the licensing of factories, the regulation of the supply of sugar-cane for use in the factories and the fixing, in the interest of the sugar-cane grower, of the price at which cane may be purchased. The system of licensing was introduced because the Governments of the two Provinces found by experience that, with the increase in the number of sugar factories consequent on the grant of protection, a state of unhealthy competition arose. This reduced the price of sugar to low levels and brought down the price paid to growers for the sugar-cane supplied to the factories to levels which hardly covered the cost of production of sugar-cane. The introduction of a system of licenses for the starting of new factories and the extending of the size of the plant of existing factories have imposed an indirect limitation on the output of the factories. To ensure effective regulation and proper supervision, Government insist on factories becoming members of a central

organization in the industry which is recognized by them. The fact that sugar factories in the two Provinces are responsible for nearly 85 per cent. of the total production of sugar in India has facilitated the enactment of the legislation and the enforcement of control. The enactments and the rules promulgated thereunder are almost the same in both the Provinces, and the mills in the two Provinces are members of the Indian Sugar Syndicate which regulates marketing in the manner described above. While Government impose a levy not exceeding six pies per maund on the sale of sugar-cane, the Syndicate recovers a levy at the rate of one anna per maund for meeting its expenses.

AN ALL-INDIA INDUSTRIAL COUNCIL.

The special features of the measures for the control of the jute and sugar industries are helpful only in indicating the shape which legislative and administrative measures assume. The main distinction of the cotton textile industry from both these industries, however, is that the production of cotton cloth is now carried on in almost all the major Provinces of India and in a number of Indian States as well. Production is diversified, competition is keen both with external manufacturers and among internal producers, and the technique of production is, in comparison with the other two industries, extremely complicated. Voluntary action has not yet been given a trial, although such voluntary action will have some prospect of success only if it is supported and has the moral backing of the Government of India, of the Governments of the Provinces and of the Rulers of Indian States. To promote co-ordinated action, the Millowners' Association, Bombay, proposes the establishment of an All-India Industrial Council. We reproduce below the proposal put forward by the Association:

"The idea is not a new one, and it was, in fact, suggested by the Royal Commission on Labour that an Industrial Council composed of representatives of employers, of labour and of the Provincial and Central Governments and the States should be formed which would meet regularly in conference. With the advent of Provincial Autonomy, the need for such a Council is greater to-day than ever before, as without such a Council it would be extremely difficult to bring about a satisfactory co-ordination of labour legislation in the various Provinces and in the States. The Government of Bombay's press communique outlining their Labour Policy apparently contemplates important amendments in factory legislation, higher levels of wages for industrial workers, holidays with pay, sickness insurance, unemployment schemes, etc., but advance in any one of the above directions in Bombay can hardly be made without imperilling Bombay's competitive capacity unless similar steps are taken in other Provinces and in Indian States. Another advantage of an all-India Industrial Council would be that it would give opportunities for a regular exchange of ideas between Governmental Officers, industrialists, economists and the experts in labour matters drawn from various parts of the country. The Council would also provide a link between Provincial Governments and employers

which would enable the expert opinion of the latter to be obtained by Governments before introducing labour legislation which might materially affect cost of production. The services of the Organization could also be utilized for the purpose of working out an orderly and planned development of Industry in India and for the purpose of preventing the excessive and unhealthy internal competition which often follows from un-coordinated action by individual employers. We submit that unless some means is devised for co-ordinating and regulating the pace of advance in labour and social legislation throughout India, satisfactory progress in these directions on a Provincial basis will be found impossible."

We strongly support the proposal that an Industrial Council should be established in the immediate future to deal with problems relating to the cotton textile industry in the various Provinces and Indian States. We suggest that the Council should be fully representative of the various interests in the country, namely, the employers, labour and Government, and should have ten members each to represent the employers and labour and ten more to represent the Government of India, the Provincial Governments and the Indian States. The Council will deal with the various matters detailed in the list of functions set forth by the Royal Commission on Labour, but we recommend the addition to the list of subjects bearing on technological and economic research and the regulation of output and prices, to both of which we have already made a reference. If co-ordinated action is to be effective, it is essential that the representatives of the employers and labour in Indian States as well as their ruling authorities should be induced to associate themselves with the work of the Council. Their interests are ultimately bound up with the interests of the textile industry in British India; and in a rapidly changing industrial society influenced by world economic forces, they cannot afford to remain isolated. They will have, in their own larger interest, to adopt the uniform labour standards evolved for the country as a whole and to agree to common programmes. Whatever the details of the Federal Constitution, it is essential that a convention should grow up for the policy and plans evolved by the All-India Industrial Council to be accepted and implemented by the various States in the same spirit in which the policy and plans will become integral parts of the industrial and economic programmes of the various autonomous Provinces.

ALLOWANCE FOR DEPRECIATION.

In considering questions connected with the financial position or reconstruction of an industry, one of the principal factors to be taken into account is the extent of the provision that has been made in the past or has to be made in the future for depreciation. Depreciation has been defined as the shrinkage in value caused by the wearing out of an asset owing to its use in business, and the provision for it represents the allowance made in estimates, valuations and balance-sheets for such wear-and-tear. The paramount importance of adequate provision for depreciation can be appreciated when the object of making this provision

is properly understood. The earning capacity of an industrial undertaking depends largely on the condition of its capital equipment. As, owing to age and to constant use and sometimes because of their getting obsolete, the machinery and plant which represent the fixed assets of the undertaking continuously get diminished in value, it is financially unsound not to maintain unimpaired their capital value and their profit earning capacity. The period for which the machinery is expected to give service and the risk of its becoming obsolete are the principal factors to be considered in determining the extent of the necessary provision for depreciation. At any point of time, merely the date of construction of the plant and machinery and the period of their installation are, of course, not the deciding tests in gauging their efficiency, and much depends on how they have been treated and what repairs and renewals have been effected. A recent survey[1] of the plants in the spinning and weaving mills in Lancashire showed that ring frames had a working life of 35 to 40 years and on that basis about 95 per cent. of the plants at work were judged to be of reasonable efficiency. Of the looms in the weaving section, 42 per cent. had been installed prior to 1900.[2] No similar survey is available of the plants in the various centres of the Province of Bombay. From the personal observations made by us during the course of our visits to mills in different places, we feel that, with few exceptions, the machinery and plant are kept in a state of reasonable efficiency. Expenditure on repairs and renewals is usually incurred from year to year, being charged to the operating expenses, and the sums spent for this purpose for the last five years for which figures are available are shown in the following table :

TABLE No. 54.

Expenditure on Renewals and Repairs incurred by Cotton Textile Mills in various regions during the years 1934-38.[3]

(Rs. Lakhs.)

Region.	1934	1935	1936	1937	1938
Bombay	13·87 (53)	17·87 (56)	17·45 (57)	23·66 (63)	28·62 (63)
Ahmedabad	11·86 (56)	12·91 (57)	12·95 (58)	16·25 (63)	21·66 (61)
Sholapur	1·32 (5)	1·69 (5)	1·61 (5)	1·33 (5)	1·61 (5)
Gujerat (excluding Ahmedabad).	0·53 (4)	0·52 (4)	0·52 (5)	0·60 (5)	0·53 (5)
Khandesh	0·57 (4)	0·69 (3)	1·11 (5)	0·95 (4)	0·89 (3)
Maharashtra and Karnatak (excluding Sholapur and Khandesh).	1·16 (8)	0·91 (7)	0·70 (7)	0·87 (7)	0·95 (7)

(1) "Report on the British Cotton Industry", published by the Industries Group, Political and Economic Planning, 1935, page 54.

(2) Ibid, page 61.

(3) Compiled from the statements supplied by mills. Figures in brackets indicate the number of mills supplying information.

In addition to such expenditure on renewals and repairs, all well-conducted concerns make provision for depreciation whenever they earn profits. There is no statutory obligation to provide for depreciation. Article 107 of Table A of the Indian Companies Act, which prescribes regulations for the management of a limited liability company, requires merely that every item of expenditure fairly chargeable against a year's income shall be brought into account. A specific reference to depreciation in the Indian Companies Act is contained in the provision prescribing the basis of the remuneration payable to managing agents in agreements entered into after the introduction of the amended Act. In sub-section (3) of section 87C, the net profits on which the remuneration is to be assessed are defined as profits calculated after allowing the usual working charges and depreciation. The basis for providing for this depreciation is, however, not prescribed and it is with the directors of a company that discretion rests in the matter of determining the depreciation to be provided for, either before arriving at the net profits or as an appropriation out of the profits to be sanctioned by the general meeting of the company. The standard, which forms the basis of the allowance in respect of depreciation, is that accepted for the assessment of the profits of companies for income-tax under the Income-tax Act. The maximum rates for which allowance is granted by the income-tax authorities are 5 per cent. on machinery, 2½ per cent. on buildings and 7½ per cent, on bleaching and dyeing plants. These allowances are permitted on the original cost of the building, plant and machinery, although when full depreciation has been earned by any building, plant or machinery no further allowance can be claimed in respect of such item. According to the Indian Income-tax Amendment Act, 1939, allowance is, however, to be granted in respect of depreciation, up to a percentage to be prescribed, on the written down value of the buildings, machinery and plant. The schedule of rates applicable under the amended provision has only recently been drawn up in conformity with the rates prescribed for similar assets in the United Kingdom and criticisms and suggestions have been invited on the schedule from the interests concerned before it is finally adopted. Two new provisions have been introduced in the Income-tax Act. One removes the restriction to six years of the maximum period up to which arrears of depreciation could be carried forward, so that the writing-off of the arrears of depreciation can hereafter be spread over a longer period. The other is that when obsolete machinery is sold or discarded, the amount by which the written down value of the machinery or plant exceeds the amount for which the machinery or plant is actually sold or its scrap value can be treated as an authorised allowance for depreciation. This is, however, subject to the condition that such amount is actually written off in the books of the concern.

The scale prescribed by the income-tax authorities represents merely the maximum reduction that they allow from the assessable profits. It does not constitute any statutory obligation, and, as observed above, the directors have full discretion in deciding about the actual provision to be made from year to year. The provision made by them is determined by various factors, such as the extent of the profits, the need or

otherwise for granting some dividend, the state of the machinery, the provision for depreciation made in the past, the strength of other reserves and the obsolescence of particular parts of the plant. It is after consideration of such factors that provision for depreciation is decided upon. The extent to which provision has been made in recent years in the different regions is shown in the following set of tables:

TABLE No. 55.

Depreciation Provided and Percentage of Depreciation to Total and Depreciated Block.

(a) Bombay.

——	1934	1935	1936	1937	1938
Number of Mills ..	61	64	64	68	69
		(Rs. Lakhs.)			
Total Block—Original Value .	3,118	3,128	3,093	3,249	3,334
Depreciation Fund ..	1,183	1,242	1,192	1,284	1,360
Depreciated Block ..	1,935	1,886	1,901	1,965	1,974
Depreciation Provided ..	47	38	42	66	78
Percentage of Depreciation to :					
(i) Total Block ..	1·5	1·2	1·4	2·0	2·3
(ii) Depreciated Block ..	2·4	2·0	2·2	3·4	4·0

NOTE.—Figures taken from the consolidated balance sheets.

(b) Ahmedabad.

——	1934	1935	1936	1937	1938
Number of Mills ..	62	71	68	67	63
		(Rs. Lakhs.)			
Total Block—Original Value.	1,782	1,789	1,751	1,787	1,886
Depreciation Fund ..	641	576	588	656	700
Depreciated Block ..	1,141	1,213	1,163	1,131	1,186
Depreciation Provided ..	50	46	39	58	58
Percentage of Depreciation to :					
(i) Total Block ..	2·81	2·57	2·23	3·25	3·08
(ii) Depreciated Block ..	4·38	3·79	3·35	5·13	4·89

NOTE.—Figures taken from the balance sheets of individual mills.

(c) Sholapur.

——	1934	1935	1936	1937	1938
Number of Mills ..	5	5	5	5	5
		(Rs. Lakhs.)			
Total Block—Original Value.	495	501	510	511	509
Depreciation Fund ..	156	158	150	150	152
Depreciated Block ..	339	343	360	361	357
Depreciation Provided ..	2·1	0·4	0·6	1·5	11·3
Percentage of Depreciation to :					
(i) Total Block ..	0·4	0·1	0·1	0·3	2·2
(ii) Depreciated Block ..	0·6	0·1	0·2	0·4	3·2

NOTE.—Figures taken from the balance sheets of individual mills.

(d) Gujerat (excluding Ahmedabad).

——	1934	1935	1936	1937	1938
Number of Mills ..	6	7	7	7	6
		(Rs. Lakhs.)			
Total Block—Original Value.	136	141	170	172	145
Depreciation Fund ..	46	48	51	53	58
Depreciated Block ..	90	93	119	119	87
Depreciation Provided ..	4	2·6	2·9	3·8	2·2
Percentage of Depreciation to :					
(i) Total Block, ..	2·9	1·8	1·7	2·2	1·5
(ii) Depreciated Block ..	4·4	2·8	2·4	3·2	2·5

NOTE.—Figures taken from the balance sheets of individual mills.

(e) Khandesh.

——	1934	1935	1936	1937	1938
Number of Mills ..	4	4	4	4	4
		(Rs. Lakhs.)			
Total Block—Original Value.	204	211	213	213	214
Depreciation Fund ..	28	28	29	22	47
Depreciated Block ..	176	183	184	191	167
Depreciation Provided ..	5·4	4·7	11·7	3·9	4·6
Percentage of Depreciation to :					
(i) Total Block ..	2·6	2·2	5·5	1·8	2·1
(ii) Depreciated Block ..	3·1	2·6	6·4	2·0	2·8

NOTE.—Figures taken from the balance sheets of individual mills.

(f) Maharashtra and Karnatak (excluding Sholapur and Khandesh).

——	1934	1935	1936	1937	1938
Number of Mills ..	7	7	7	7	7
		(Rs. Lakhs.)			
Total Block—Original Value.	154	167	169	168	170
Depreciation Fund ..	39	42	41	43	46
Depreciated Block ..	115	125	128	125	124
Depreciation Provided ..	2·2	1·6	2·1	3·2	3·7
Percentage of Depreciation to :					
(i) Total Block ..	1·4	1·0	1·2	1·9	2·2
(ii) Depreciated Block ..	1·9	1·3	1·6	2·6	3·0

NOTE.—Figures taken from the balance sheets of individual mills.

While the Millowners' Associations of Bombay and Ahmedabad assert that provision for depreciation should be made on the income-tax basis, they do not agree that it can be made a first charge on the profits, in the sense recommended by the Tariff Board (1927). Their main objection to any such statutory provision being prescribed arises from the difficulty felt in making full provision on the income-tax basis in years of lean profits for the industry. At the same time, they urge that it is

occasionally expedient to allow small dividends, even if full provision for depreciation cannot be made. Where commission to agents is payable as a percentage of the profits, it may also be necessary, it has been pointed out, for that percentage to be raised if full depreciation has to be provided for as a statutory first charge. The following set of tables shows the position in the matter of payment of dividends and commissions by mills which were unable to provide for full depreciation on the income-tax basis :

TABLE No. 56.

Number of mills paying Dividends and Full Agents' Commission without providing for Depreciation on Income-tax Basis.

(a) Bombay.

——	1934	1935	1936	1937	1938
Number of mills supplying information.	59	63	64	66	65
Number of mills not providing depreciation on income-tax basis.	37	42	46	40	36
Number of mills paying dividends which have not provided depreciation on income-tax basis.	18	19	24	19	15
Number of mills charging full agents' commission which have not provided depreciation on income-tax basis.	8	19	22	29	28

(b) Ahmedabad.

——	1934	1935	1936	1937	1938
Number of mills supplying information.	58	58	58	63	60
Number of mills not providing depreciation on income-tax basis.	23	34	29	24	26
Number of mills paying dividends which have not provided depreciation on income-tax basis.	18	23	19	15	17
Number of mills charging full agents' commission which have not provided depreciation on come-tax basis.	7	6	6	7	4

(c) Sholapur.

—	1934	1935	1936	1937	1938
Number of mills supplying information.	5	5	5	5	4
Number of mills not providing depreciation on income-tax basis.	4	3	3	3	2
Number of mills paying dividends which have not provided depreciation on income-tax basis.	3	2	2	2	1
Number of mills charging full agents' commission which have not provided depreciation on income-tax basis.	4	3	3	3	2

(d) Gujerat (excluding Ahmedabad).

—	1934	1935	1936	1937	1938
Number of mills supplying information.	5	6	6	7	6
Number of mills not providing depreciation on income-tax basis.	2	4	4	3	2
Number of mills paying dividends which have not provided depreciation on income-tax basis.	1	..	1	..	..
Number of mills charging full agents' commission which have not provided depreciation on income-tax basis.	..	..	1	..	..

(e) Khandesh.

—	1934	1935	1936	1937	1938
Number of mills supplying information.	4	3	5	4	3
Number of mills not providing depreciation on income-tax basis.	1	1	1	2	1
Number of mills paying dividends which have not provided depreciation on income-tax basis.	1	1	1	..	1
Number of mills charging full agents' commission which have not provided depreciation on income-tax basis.	1	1	..	..	1

(f) Maharashtra and Karnatak (excluding Sholapur and Khandesh).

——	1934	1935	1936	1937	1938
Number of mills supplying information.	7	7	7	7	6
Number of mills not providing depreciation on income-tax basis.	4	3	3	3	2
Number of mills paying dividends which have not provided depreciation on income-tax basis.	1	1	2	1	2
Number of mills charging full agents' commission which have not provided depreciation on income-tax basis.	3	1	1	1	2

The necessity of adhering to a rigid standard in making actual provision for depreciation is also sometimes questioned in view of the fact that, as experience in Lancashire and in India shows, the life of a plant is not necessarily limited to 20 years. Moreover, it has to be recognized that to allow for depreciation at a statutorily fixed rate in concerns which are overcapitalized imposes a needless burden and leads to an incorrect position being presented of the profit-earning capacity of the industry or of a particular unit. It was contended on behalf of labour in Ahmedabad, however, that from the point of view of the stability of the industry it was desirable to make provision for depreciation a statutory first charge, so that units would always maintain intact the capital value and earning capacity of their plants. To this contention, Mr. Ambalal Sarabhai replied that the lack of provision for depreciation did not inevitably mean financial disaster or the scrapping of the plant. Concerns might, he stated, in case their managing agents enjoyed sufficient credit, be able to carry on their operations by resort to borrowing for some time, although he agreed that failure to provide for depreciation over a series of years must react adversely on their financial position. It was also pointed out by various witnesses that no obligation in the matter of provision for depreciation was laid on other industries and it was inequitable to single out the cotton textile industry for this particular requirement. We would emphasize again the paramount importance of making adequate provision for meeting the shrinkage in fixed assets. Appreciating, nevertheless, the cogency of several of the grounds set forth by representatives of the employers, we do not see any need to recommend depreciation on the income-tax or any other basis being made a statutory charge on the profits.

LIMITATION OF DIVIDENDS.

One of the suggestions for the financial reconstruction of the industry made on behalf of labour in Ahmedabad was that the payment of

dividends by cotton mill companies should be limited to 4 per cent. per annum. In the opinion of the Textile Labour Association, Ahmedabad, it is necessary to see that when large profits are earned, they are not utilized in the disbursement of dividends at excessively high rates—as was done between 1917 and 1922—but are conserved to strengthen the reserve and depreciation funds and to enable the wages of the workers to be raised gradually to the living wage standard. On behalf of the employers, it has been argued that the principle of limitation is altogether unsound, that it will constitute an entirely unprecedented innovation, that a proposal to limit dividends will scare away investors, that there can be no maximum limit fixed for dividends unless there is a guaranteed minimum, that judged in the light of the circumstances which prevailed during the post-war boom the returns secured by shareholders were not excessive, and that, at any rate, in recent times there has been no tendency to declare large dividends, because the profit-earning capacity has diminished considerably.

The question is worthy of a somewhat detailed examination because of the importance that is attached to the determination of what is a fair return on investment in industry. Dividends represent the return paid out of the profits of a joint stock undertaking to those who contribute to the share capital in proportion to the paid-up amount of the shares held by them. The basis for the payment of dividends varies occasionally according to the type of shares issued by a company; according, for instance, to the distinction that has to be observed between ordinary, preference and deferred shares, cumulative preference shares and the like. In India, it is principally on the shares of certain railway companies that there is a minimum rate of dividend guaranteed by Government. Dividends are paid by companies if there are profits available in a year; and the rate of dividends declared depends on the extent of the profits made. If there are dividend equalization funds, they can be drawn upon for payment of dividends in years when the profits are meagre or altogether absent. In many industrial concerns, the entire amount of the profits is not appropriated for the payment of dividends, but, in addition to the requisite provision for depreciation, allocations are also made to reserve and other funds. Allotments are made to funds for the equalization of dividends and sometimes contributions are granted for workers' welfare funds. The bonuses that are at times allowed to shareholders are only additional payments of dividends shown separately as such because the companies are desirous of maintaining a nominally uniform level of dividends.

The scale of payment of dividends in the boom periods was examined closely by the Tariff Board (1927) which came to the conclusion that the payment of unduly high dividends in those years could not be held to have contributed to the subsequent depression; but, as this is a matter of past history, we need not now go over the same ground. The more recent history of dividend payments in the cotton textile companies in the Province of Bombay is set forth in the following set of tables:

TABLE No. 57.

Frequency Distribution of Dividends paid by Cotton Textile Mills.

(a) Bombay.

Rate of Dividend per cent.	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Nil	20	20	20	20	20	22	33	31	28	30
Below 3	..	..	..	1	3	1	8	10	4	3
3 and below 4	1	..	1	..	..	1	2	4	2	1
4 ,, 5	1	1	1	..	2	8	4	4	6	3
5 ,, 6	1	..	1	4	..	1	3	2	3	7
6 ,, 7	..	..	2	2	1	1	2	2	6	5
7 ,, 8	2	2	..	..	2	2	1	2	3	2
8 ,, 9	..	..	1	1	..	2	2	..	3	2
9 ,, 10	..	..	..	..	..	..	..	..	..	1
10 ,, 12½	6	10	8	7	6	6	7	8	5	9
12½ ,, 15	..	..	..	..	..	..	..	..	..	1
15 ,, 17½	2	..	2	2	1	..	..	1	3	1
17½ ,, 20	..	..	..	..	..	..	..	..	..	..
20 ,, 25	3	..	..	..	..	..	..	..	..	2
25 ,, 50	..	..	..	..	..	..	..	..	..	..
50 ,, 75	..	..	..	..	..	..	..	..	..	..
75 and over	..	..	..	..	..	..	..	..	..	..
Unspecified	..	..	..	..	..	..	1	..	..	..
Total ..	36	33	36	37	35	44	63	64	63	67

NOTE.—Figures for the years 1929 to 1934 have been compiled on the basis of the statements supplied by the mills while those for the years 1935 to 1938 have been based on the information available in the balance sheets.

(b) Ahmedabad.

Rate of Dividend per cent.	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Nil	13	20	12	10	21	15	26	30	19	20
Below 3	..	..	..	..	..	..	1	..	..	..
3 and below 4	1	..	..	..	..	2	..	3	1	..
4 ,, 5	3	1	2	1	1	1	2	2	3	..
5 ,, 6	2	2	2	2	5	2	1	4	2	1
6 ,, 7	11	11	7	9	12	20	10	11	11	16
7 ,, 8	1	2	9	5	4	3	7	3	8	5
8 ,, 9	..	2	7	8	1	3	3	3	3	6
9 ,, 10	..	1	..	..	..	..	..	..	..	2
10 ,, 12½	6	7	7	13	10	5	8	6	9	6
12½ ,, 15	4	1	..	1	1	5	2	..	2	..
15 ,, 17½	3	2	4	4	9	9	6	3	2	3
17½ ,, 20	1	2	..	..	2	1	1	..	2	1
20 ,, 25	4	6	7	7	2	3	2	1	2	1
25 ,, 50	8	4	7	8	2	3	2	2	2	1
50 ,, 75	3	3	2	2	1	..	..	..	1	..
75 and over	..	..	..	..	..	..	..	1	..	..
Unspecified	10	7	5	1	3	..	..	..	..	..
Total ..	70	71	71	71	74	72	71	69	67	62

NOTE.—Figures for the years 1929 to 1937 have been compiled on the basis of the information available in the "Directory of Ahmedabad Mill Industry" by N. N. Desai and for 1938 from the balance sheets of individual mills.

(c) Sholapur.

Rate of Dividend per cent.	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Nil	..	..	1	..	1	1	1	1	1	1
3 and below 4	..	..	..	1	..	..	..	1	..	..
4 ,, 5	..	..	..	..	..	1	1	1	..	..
5 ,, 6	..	1	1	..	1	..	2	1	2	..
6 ,, 7	1	2	1	2	1	1	..	..	1	1
7 ,, 8	..	..	..	..	..	..	..	..	..	1
8 ,, 9	..	..	..	..	..	..	..	..	..	..
9 ,, 10	..	..	..	..	..	..	..	..	..	..
10 ,, 12½	2	2	..	..	2	2	1	1	1	1
12½ ,, 15	..	..	..	..	..	..	..	..	..	..
15 ,, 17½	..	..	2	2	..	..	..	..	..	..
17½ ,, 20	..	..	..	..	..	..	..	..	..	..
20 ,, 25	1	..	..	..	..	..	..	..	..	..
25 ,, 50	1	..	..	..	..	..	..	..	..	..
Total ..	5	5	5	5	5	5	5	5	5	

NOTE.—Figures for the years 1929 to 1936 have been compiled on the basis of the statements supplied by the mills while those for 1937 and 1938 have been based on the information available in the balance sheets.

(d) Gujerat (excluding Ahmedabad).

Rate of Dividend per cent.	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Nil	4	4	3	2	4	4	5	5	5	3
Below 3	1	1	1	..	..	..	..	..	..	..
3 and below 4	..	..	..	1	1	..	1	..	1	..
4 ,, 5	..	..	..	..	..	1	..	1	..	1
5 ,, 6	..	..	..	..	..	..	..	..	..	1
6 ,, 7	..	1	..	..	..	..	..	..	..	..
7 ,, 8	..	1	..	1	1	..	..	..	..	..
8 ,, 9	..	..	1	1	..	..	..	..	..	..
9 ,, 10	..	..	..	..	..	..	..	..	..	..
10 ,, 12½	..	..	..	..	..	..	..	..	..	..
12½ ,, 15	..	..	..	..	..	..	..	..	..	..
15 ,, 17½	..	..	..	..	..	..	..	..	..	..
17½ ,, 20	..	..	..	..	..	..	..	..	..	..
20 ,, 25	..	..	..	..	..	..	..	..	..	..
25 ,, 50	..	..	..	..	1	1	1	1	1	1
50 ,, 75	..	..	..	..	..	..	..	..	..	..
75 and over	..	..	..	1	..	..	..	..	..	..
Total	5	7	5	6	7	6	7	7	7	6

NOTE.—Figures in this table have been based on the information available in the statements and the balance sheets supplied by the mills.

(e) Khandesh.

Rate of Dividend per cent.	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Nil	..	1	..	..	..	..	2	1	1	..
3 and below 4	1	..	2	1	2	2	1	1	1	2
4 „ 5	..	..	1	1	..	..	..	..	..	1
5 „ 6	1	1	..	..	..	1	1	..	..	..
6 „ 7	..	..	..	1	1	..	..	1	2	1
7 „ 8	..	..	..	..	1	1	..	..	..	..
8 „ 9	..	..	..	..	..	..	..	..	..	..
9 „ 10	..	1	..	1	..	..	..	1	..	..
10 „ 12½	2	1	1	..	..	..	..	..	..	..
Total ..	4	4	4	4	4	4	4	4	4	4

NOTE.—Figures in this table have been based on the information available in the statements and the balance sheets supplied by the mills.

(f) Maharashtra and Karnatak (excluding Sholapur and Khandesh).

Rate of Dividend per cent.	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Nil	4	4	6	5	4	4	5	4	4	3
Below 3	..	..	..	..	..	..	1	..	1	1
3 and below 4	..	..	..	1	2	1	..	2	1	2
4 „ 5	1	2	..	..	..	1	..	..	1	1
5 „ 6	..	..	..	..	..	..	..	..	..	..
6 „ 7	..	..	1	1	..	..	..	..	..	..
7 „ 8	..	1	..	..	1	1	1	1	..	..
8 „ 9	..	..	..	..	..	..	..	..	..	..
9 „ 10	1	..	..	..	..	..	..	..	..	..
10 „ 12½	1	..	..	..	..	..	..	..	..	..
Total ..	7	7	7	7	7	7	7	7	7	7

NOTE.—Figures in this table have been based on the information available in the statements and the balance sheets supplied by the mills.

In examining the suggestion that dividends should be limited, it is useful to take a comparative view of the returns earned by capital investments in the cotton textile industry in Bombay, of those earned in other Provinces and also in other countries. This comparative view can be obtained from the following four tables :

TABLE No. 58.

Frequency Distribution of Dividends paid by Cotton Textile Mills in other Provinces.

Rate of Dividend per cent.	United Provinces.			Central Provinces and Berar.			Madras.			Bengal.		
	1936	1937	1938	1936	1937	1938	1936	1937	1938	1936	1937	1938
Nil	2	2	1	2	3	1	1	2	1	1	1	..
3 and below 4	..	..	..	..	..	..	1	1	..	..	..	..
4 ,, 5	..	..	1	..	..	..	..	..	..	..	3	1
5 ,, 6	1	1	..	1	1	..	..	..	1	..	..	..
6 ,, 7	..	..	..	..	..	..	1	..	..	1	..	..
7 ,, 8	..	..	..	..	1	..	..	..	..	..	..	..
8 ,, 9	..	..	..	1	..	..	..	..	..	..	..	..
9 ,, 10	..	..	..	..	..	..	1	2	1	..	1	2
10 ,, 12½	..	..	1	..	..	1	..	..	..	..	..	..
12½ ,, 15	..	..	..	..	..	..	..	..	..	..	..	..
15 ,, 17½	..	..	..	..	..	..	..	..	..	..	..	..
17½ ,, 20	..	..	..	..	..	..	..	..	..	..	..	..
20 ,, 25	1	1	..	..	..	..	..	..	..	..	..	..
25 ,, 50	1	1	1	..	..	..	1	..	..	..	..	..
Unspecified	..	..	..	..	..	..	..	..	..	..	..	..
Total	5	5	4	4	5	2	5	5	3	2	5	3

NOTE.—Figures taken from the Investor's India Year-Book, 1938-39.

TABLE No. 59.

Dividends paid in Textile Industry in Great Britain.

Period.	Rate of Dividend per cent.
Year ended June 30th, 1932	4·4
Do. 1933	4·6
Do. 1934	5·2
Do. 1935	5·5
Do. 1936	5·2
Do. 1937	5·2
Quarter ended June 30th, 1938	6·0
Do. 1939	6·4

NOTE.—Figures taken from the "Economist".

TABLE No. 60.

Dividends paid by Cotton Manufacturing Companies in Japan.

Year.	Rate of Dividend per cent. for	
	First Half Year.	Second Half Year.
1933	10·9	11·4
1934	13·0	12·1
1935	13·0	12·6
1936	12·3	12·0
1937	13·3	12·5
1938	13·2	12·3

NOTE.—These figures are taken from the monthly circular published by Mitsubishi Economic Research Bureau.

TABLE No. 61.

Index of Cotton Mill Dividends[1] *in the United States of America*
(Includes cash dividends only)

Year.	Rate of Dividend per cent.	Number of Mills.
1915	5·7	57
1916	9·1	59
1917	11·0	60
1918	13·4	60
1919	11·7	60
1920	17·4	60
1921	9·5	60
1922	9·2	60
1923	8·0	60
1924	7·2	60
1925	6·2	60
1926	4·9	60
1927	5·0	60
1928	5·1	60[2]
1929	5·8	58
1930	4·2	57
1931	2·7	56
1932	1·7	53
1933	1·4	50
1934	3·2	48

NOTE.—These figures are taken from "Profits and Losses in Textiles" by S. J. Kennedy.

(1) This series is based upon actual dividend disbursements weighted by the total common and preferred stock outstanding each year.

(2) The 60 mills included in 1928 had an aggregate capital investment of $260,360,000 and represented 7,738,000 installed spindles or approximately 22% of the total production capacity of the industry.

The question of limitation of dividends is one which relates to all industries. From that standpoint, it is pertinent to examine the dividends obtained in some of the other principal industries in India, such as jute and sugar. The following table contains information about the dividends paid in these industries in recent years:

TABLE No. 62.

Frequency Distribution of Dividends paid in Jute and Sugar Industries in 1936, 1937 and 1938[1].

Rate of Dividend per cent.	Number of Mills declaring dividends.					
	Jute.			Sugar.		
	1936	1937	1938	1936	1937	1938
Nil	10	16	27	7	10	12
Below 3	5	5	10	1	..	2
3 and below 4	3	4	3	..	1	..
4 ,, 5	..	3	1	..	..	..
5 ,, 6	3	4	4	3	5	2
6 ,, 7	3	2	2	..	1	..
7 ,, 8	5	4	2	2	2	1
8 ,, 9	2	1	1	1	..	..
9 ,, 10	..	2	1	..	..	..
10 ,, 12½	7	6	4	7	6	6
12½ ,, 15	4	2	3	1	1	2
15 ,, 17½	1	4	2	3	3	3
17½ ,, 20	5	2	..	..	..	..
20 ,, 25	7	4	..	3	..	..
25 ,, 50	5	1	..	1	..	1
Total ..	60	60	60	29	29	29

(1) Figures taken from the Investor's India Year-Book, 1938-39.

An examination of the figures shows that, while the cotton textile industry in Bombay has not fared worse than the industry in other countries, the dividends declared in the last few years cannot generally be said to have been excessive. Nor are they high in proportion to the dividends earned in other centres of the Indian textile industry or in other industries in our country. It has been argued that the payment

of dividends in a protected industry should be regulated. That argument, however, will apply also to other industries like iron and steel and sugar. Without entering into the question of the adequacy or inadequacy of the protection that is enjoyed, it may be observed that an obligation is laid on the State to ensure that there is no element of profiteering in the working of an industry which is protected and that there is a similar obligation laid on the industry itself. As the figures show, the scale of dividends paid since the grant of protection does not call for the imposition of a limitation. At the same time, it is the duty of the industrialist to see to it that when surplus profits are available in future they are utilized not in increasing the rate of dividends but in providing, if necessary, for arrears of depreciation and for the betterment of the position of the industry and the workers in it.

The textile industry derives its importance by virtue of the fact that it is the largest and oldest among our organized industries; it does not, however, possess the essentials of a public utility undertaking. The principle of limitation of dividends has not been applied even to public utility concerns in India, though the Government of Bombay have declared their intention of restricting, in future, dividends in electric supply companies. The position of the textile industry is radically different from that of public utility undertakings which are placed in a monopolistic position. Nor can the position of the units in the industry be compared to that of co-operative societies—the distribution of the profits of which is limited by statute—because of the difference in their structure.

On a balance of the considerations set forth above, we incline to the opinion that no statutory limitation of dividends is called for, although we strongly hold the view emphasized by the Tariff Board (1927) that in a period of prosperity it is in the ultimate interest of the industry itself to husband the resources by building up various types of reserves. While the conservation of resources should be the keynote of the policy of the industry as a whole, it is open to flourishing individual units which, owing to a variety of causes, earn profits much above the average to allocate some portion of their surplus profits to workers' welfare funds. They can utilize the funds for providing additional amenities for their own employees, thus adding to the attractiveness of employment in their concerns. It is often found that the mills that earn large profits are the mills that pay wages—unless they are standardized —above the normal level. With the gradual acceptance of schemes for the standardization of wages, the level of wages will become uniform throughout the industry in a centre. The mills may thus lose the advantage that the higher scale of wages afforded them of attracting and retaining a better type of labour. That advantage they can retain by the provision of special amenities for their labour which, it may be hoped, will serve as a means for building up an efficient and stable labour force.

There may be a case for limitation if it is shown that by the payment of large dividends the capacity of the industry to pay a fair scale of remuneration to workers is adversely affected. The figures of dividends

paid in recent years do not bear out this contention. The questions of a living wage standard and of a minimum wage, the need for legislative and administrative measures for the improvement of working conditions —these are problems by themselves which need not be correlated to the limitation of dividends. The proposal is also inspired by the desire to ensure that the workers derive some share in the profits of the industry. The suggestion has been made that out of surplus profits mills may build up funds for the equalization of wages in the same manner as they provide for funds for the equalization of dividends. Attractive as the proposal is at first sight, it is found on examination to be of little practical utility in helping to raise the level of wages. The raising of that level will be dependent on the acceptance of the principle of a minimum wage, on the introduction of well-considered schemes of standardization of wages, and, ultimately, on the strength of collective bargaining. The amounts that may be available out of surplus profits can scarcely be relied upon to afford any tangible relief. However, the larger aspects of the question of profit-sharing are not dealt with here, as they are examined in the chapter on the automatic adjustment of wages. Here we may only point out that schemes that are feasible in a unified industry may not be applicable to an industry where the units are numerous and scattered.

But, while we do not favour the imposition of any restriction on the payment of dividends by these units, we recommend that, when questions of the capacity of the industry to pay are under examination, a standard should be kept in view for a fair return to the shareholder and that this return cannot be placed at a figure which is much in excess of the average return on long-term gilt-edged securities in the period under examination. The conception that we have in mind is a net return on the share capital that is invested. Reference is often made in the course of discussions regarding " the capacity to pay " to the percentage of dividend on the block account. That, in our opinion, is not the appropriate method of gauging the return to the investor. It may be useful to show the gross realizations on the aggregate block account from year to year in order to indicate the comparative position in different years. But in correlating dividends to the block account, there is a danger of ignoring some very important factors. Much will depend on how the block is financed. If it is financed partially by borrowed capital, the fact should not be overlooked that the borrowed capital has already earned interest and that such portion of the block cannot earn interest twice over. Similarly, if the block is financed by various aggregations of owned capital, such as the reserve and depreciation funds, a set-off should be allowed in respect of the interest that such accumulations of capital would have earned had they been invested elsewhere. If these factors are lost sight of, the entire picture becomes distorted ; and, therefore, the only sound policy, in our opinion, is to correlate dividends to the paid-up share capital alone and when the conception of a return on the block is discussed to make full allowance for the various items in respect of which set-offs have to be given as explained above.

REMUNERATION OF MANAGING AGENTS.

The managing agency system is a peculiar feature of industrial organization in India. It was examined at considerable length by the Tariff Board (1927), and the amendment made in the Indian Companies Act in 1936 has dealt with some of the undesirable features of the system that had previously come in for criticism. Among the important matters in regard to which safeguards have now been provided under the amended Act may be mentioned the regulation of the grant of loans to managing agents, of the grant of loans to or by companies under the same management, of the purchase by a company of shares of another company under the same management, of the business in which managing agents may engage themselves, of the number of directors to be appointed by managing agents and of contracts with the company entered into by managing directors. The law now limits the tenure of the appointment of managing agents to a term of twenty years at a time and prescribes conditions applicable to agreements such as cancellation of the agreements or their modification in certain eventualities. The Tariff Board (1927) recommended in paragraph 79 of its report that any transfer of interest in the managing agency agreement should be subject to the approval of the shareholders. No transfer of the agreement itself should be valid without the consent of the company. The Tariff Board (1932) pointed out that the provision for grant of compensation to the managing agent in case of a company being wound up had little justification at least in the case of cotton textile mills. The position in both these respects has now been set right by the Indian Companies Amendment Act, 1936.

The basis to be adopted for the payment of remuneration to managing agents has also been defined in Section 87C according to which, after the commencement of the Amendment Act, "the remuneration of the managing agent shall be a sum based on a fixed percentage of the net annual profits". It has been further provided that any remuneration additional to or in any form other than that specified can be allowed only if sanctioned by a special resolution of the company. The net profits as a percentage of which the remuneration is to be payable have to be determined after allowing for all the usual working charges, repairs and outgoings and depreciation. As these provisions apply only to fresh agreements, the old bases of remuneration provided for in the original managing agency agreements continue in existence. The three forms of remuneration as described by the Tariff Board (1927) are:

"1. The system of remuneration by commission on profits which, since profits increased so largely during the war period, has been the most common system in Bombay and in most upcountry centres where it was, we believe, first adopted in 1888. The commission in Bombay ranges from 7½ per cent. to 12½ per cent., but, in the majority of cases, it is 10 per cent., and the managing agency agreement usually provides for a minimum commission.

"2. The system of commission on production which is still in force in a few mills in Bombay and Ahmedabad but is more common

in upcountry centres. The usual rate of commission is three pies per pound. In most cases, provision is made in the managing agents' agreements for the relinquishment of a portion of the commission according to the percentage of dividend distributed.

"3. The system of commission on sales which is the most common system in Ahmedabad where it was introduced in 1895. It practically completely replaced the system of commission on production in 1917 when the era of high prices set in. It is also in force in three mills in Bombay and in several mills in upcountry centres. The rate of commission is usually 3½ per cent. In this case also, provision is made in the managing agents' agreement for a relinquishment of a portion of the commission."

These three methods are still in operation as is seen from the following table:

TABLE No. 63.

Forms of Remuneration to Managing Agents in the Province of Bombay.

Region.	Number of mills working.	Number of mills supplying information.	Number of mills paying remuneration.		
			On production or deliveries.	On sales.	As percentage of profits.
Bombay	69	69(1)	4	5	57
Ahmedabad	70	51(2)	3	46	1
Sholapur	5	5	2	..	3
Gujerat (excluding Ahmedabad).	7	7(3)	..	4	2
Khandesh	5	5(3)	..	..	4
Maharashtra and Karnatak (excluding Sholapur and Khandesh).	8	7(4)	..	..	6

(1) Include three mills, one of which is a proprietary concern, another paying a fixed sum and a third which does not pay any commission.

(2) Include one mill which does not pay any commission.

(3) Include one mill each which pays a fixed sum.

(4) Include one mill which is a proprietary concern.

The method of remuneration has to be examined from two main points of view—whether it is suitable and fair considering the services performed by the managing agents and whether it imposes any unduly heavy burden on the industry. Judging from both these points of view, it is our considered opinion that the payment of remuneration as a percentage of the net profits is the most equitable of the three methods

and that it tends to evoke the greatest measure of effort to secure profitable working. Over a series of years, as the Tariff Board (1927) points out, the system of commission on sales is the most expensive of the three. This is further evident from the following table showing the profits calculated before providing for depreciation and deducting agents' commission and the commissions paid and forgone in the different regions :

TABLE No. 64.

Commission Charged, Commission Given Up and the Profits Calculated before Providing for Depreciation and Deducting Agents' Commission in Cotton Textile Mills in the Province of Bombay

(Rs. Lakhs.)

(a) Profits.

Region.	1934	1935	1936	1937	1938
Bombay	68·0	43·0	66·0	133·0	184·0
Ahmedabad	111·0	95·0	77·0	129·0	136·0
Sholapur	11·2	3·7	3·7	8·2	23·9
Gujerat (excluding Ahmedabad).	5·9	3·6	1·4	8·4	6·5
Khandesh	9·5	6·9	13·5	6·5	7·9
Maharashtra and Karnatak (excluding Sholapur and Khandesh).	7·3	5·1	7·7	5·4	9·8

(b) Annual Commission charged.

Region.	1934	1935	1936	1937	1938
Bombay	11·0	8·0	10·0	17·0	22·0
Ahmedabad	29·0	28·0	25·0	35·0	32·0
Sholapur	3·3	2·3	2·6	2·1	3·9
Gujerat (excluding Ahmedabad).	1·2	1·1	1·0	1·4	1·4
Khandesh	1·7	1·2	2·1	1·3	1·3
Maharashtra and Karnatak (excluding Sholapur and Khandesh).	0·8	0·6	0·9	0·7	1·7

(c) Annual Commission given up.

Region.	1934	1935	1936	1937	1938
Bombay	4·0	6·0	5·0	2·0	3·0
Ahmedabad	19·0	18·0	18·0	18·0	23·0
Sholapur	0·7	0·5	0·5	1·0	..
Gujerat (excluding Ahmedabad).	1·4	1·3	1·3	1·5	0·9
Khandesh	0·3	..	..	..	0·02
Maharashtra and Karnatak (excluding Sholapur and Khandesh).	0·6	0·6	0·5	..	..

NOTE.—Figures for Bombay have been taken from consolidated balance sheets while those for the other regions have been taken from the balance sheets and statements submitted by mills.

The payment of remuneration on the basis of production puts a premium on mere increase in production without any reference to the disposal of the products. A similar objection applies to the method commonly adopted in Ahmedabad; for merely selling the goods manufactured does not provide a suitable basis for remuneration to the management, unless the management effect the sales profitably. Thus it is clear that the soundest system is to provide for remuneration on the basis of profits, allowing at the same time a minimum remuneration in case the concern fails to show adequate profits in a particular year. It was clearly the intention of the Central Legislature to standardize this as the basis of remuneration, permitting variations in exceptional circumstances. It has, however, happened in Ahmedabad that the half a dozen new agreements entered into in the last two years, when transfers of managing agencies were effected, all provide for the payment of commission on the basis of sales. That the same practice would continue to be followed for other new agreements or when the existing agreements came up for renewal after the expiry of twenty years from the date of the introduction of the Indian Companies (Amendment) Act was the view put forward by the representatives of the Ahmedabad Millowners' Association who admitted, however, that payment of remuneration as a percentage of profits was a much sounder method than commission on the basis of sales. Apparently, the shareholders in Ahmedabad either do not believe that the managing agents they appoint will continue to render the same services as they do at present unless remunerated on a basis which is admittedly unsatisfactory or they are so largely dominated by the managing agents that they are not in a position to make their voice heard at general meetings. It seems to be overlooked both by the shareholders and the managing agents that by adhering to the system of commission

on sales they impose on their concerns a disproportionately heavy charge reducing to that extent the capacity of the industry to pay. It has been argued that correlating remuneration to profits will enable the management to derive large gains in a period of prosperity. In such times, however, the additional payments to be made may not be grudged. But this apart, it has to be recognized that, in the face of intensified internal and external competition, and of the pressing demands of labour for a higher scale of wages, the possibility of bumper profits over a series of years may well be taken to have disappeared.

It has also been urged that the incidence of the charges payable on account of commission to managing agents has to be assessed in relation to the services performed and that the cost should not be deemed great if the system yields good results. The implication is that with a lower scale of remuneration the standard of management may not be equally high. While we have admiration for the high level of financial and administrative efficiency that obtains in Ahmedabad and the manner in which the managing agents as a class have identified themselves with the interest of their concerns, we do not agree that the same kind of efficiency or identification of interests cannot obtain in centres where the system of remuneration for managing agents is different. In other countries, efficiency in management is secured even though payment for the management is on a salary basis. We hold that it will be a reflection on Indian employers as a class to suggest that to induce them to exert themselves to their highest capacity, remuneration has to be offered to them on a basis which is generally recognized as unsound. In justification of the system of payment adopted in Ahmedabad it has been claimed that the mill agents and their partners have contributed largely towards securing capital in the initial stages. It is true that, owing to the mills having been started with small amounts of share capital, even the block account had to be financed in the early days by resort to borrowing. With the building up of depreciation and other funds, this type of financing is not ordinarily required and this particular ground for differential treatment in the matter of payment of commissions no longer holds good. It may be that deposits are still attracted to mills owing to the good credit of the agents, but that is part of the service for which they draw remuneration everywhere in India and it is no unusual feature for which special consideration should be made. Moreover, even in Ahmedabad, credit from banks is now more in vogue than in the past.

On behalf of the employers in Ahmedabad it has been urged that there is provision in the managing agency agreements for surrender of the commission in certain contingencies. Commission has to be foregone to the extent of one-third when the rate of dividend is below 12 per cent. There is no similar condition about full provision for depreciation, but it is contended that, as a rule, mills in Ahmedabad, have not failed to make adequate provision in this respect. The fact

remains, however, that as shown in Table No. 56 on pages 238 to 240 full commissions have been drawn by agents in some units in years when they have failed to make provision for depreciation on the income-tax basis. The voluntary surrender of commission is common to all the centres including Ahmedabad, and a glance at Table No. 64 on pages 255 and 256 shows that even taking into account the commissions foregone, payments are on a higher scale in Ahmedabad than in any other centre.

A minimum sum by way of commission in the case of absence or inadequacy of profits is provided for in the managing agency agreements where commission is calculated on the basis of profits. This minimum should, we recommend, bear some relation to the size of the unit concerned. The law now permits, and the existing agreements—almost invariably in Bombay—provide for an office allowance being paid in addition to the commission. This office allowance is exclusive of the office salaries and other expenses, as distinguished from the salaries and other expenses at the offices on mill premises. If all the actual expenses on salaries, rents and contingencies are met by a company and a reasonable minimum remuneration is paid as commission even when there are no profits or the profits are inadequate, we see no justification for the continuance of the system of office allowances. It is the practice, we understand, in some concerns not to charge any such allowance and we suggest that this should be the convention until agreements are modified and the law is altered. As it is, the office allowances in Bombay represent sums which, in the aggregate, are considerable. The following table gives the figures of office expenses and allowances in different regions in the Province:

TABLE No. 65.

Allowances and Other Expenses of the Managing Agents' Offices in the Province of Bombay.[1]

(Rs. Lakhs.)

Region.	1937	1938
Bombay	15·55 (43)	16·51 (43)
Ahmedabad	1·33 (11)	1·37 (9)
Sholapur	0·93 (3)	0·93 (2)
Gujerat (excluding Ahmedabad)	0·20 (2)	0·07 (1)
Khandesh	0·19 (3)	0·19 (2)
Maharashtra and Karnatak (excluding Sholapur and Khandesh).	1·20 (6)	1·29 (6)

(1)Figures taken from statements supplied by mills. Figures in brackets indicate the number of mills supplying information.

We deal, lastly, with the contention of the mill agents in Ahmedabad that the scale of commission paid to them does not impose a heavier burden on the industry than in Bombay for the reason that, while in Ahmedabad the usual commission on sales of yarn and cloth is ½ per cent., in Bombay the charges are as high as 1½ to 2 per cent. The following table gives the incidence of the charges incurred by mills on the sale of yarn and cloth in different regions in the Province :

TABLE No. 66.

Sales of Cloth, Yarn and Waste and Commission on Sales and Other Charges.

(a) Bombay.

——	1937	1938
Number of mills supplying information	53	54
	(Rs. Lakhs.)	
Sales of cloth, yarn and waste	20,77	21,30
Commission on sales and other charges(1)	37	39
Percentage of commission charges to sales	1·80	1·84

(1) Inclusive of charges on account of cartage, tares and hoops reported by ten mills.

(b) Ahmedabad.

——	1937	1938
Number of mills supplying information	32	32
	(Rs. Lakhs.)	
Sales of cloth, yarn and waste	7,33	7,72
Commission on sales and other charges	4·5	4·6
Percentage of commission charges to sales	0·62	0·60

(c) Sholapur.

——	1937	1938
Number of mills supplying information	5	5
	(Rs. Lakhs.)	
Sales of cloth, yarn and waste	2,15	2,25
Commission on sales and other charges(1)	4·9	4·8
Percentage of commission charges to sales	2·29	2·13

(1) Inclusive of discount and brokerage in respect of two mills.

(d) Gujerat (excluding Ahmedabad).

——	1937	1938
Number of mills supplying information	2	2
	(Rs. Lakhs.)	
Sales of cloth, yarn and waste	30	23
Commission on sales and other charges	0·17	0·15
Percentage of commission charges to sales	0·56	0·65

(e) Khandesh.

——	1937	1938
Number of mills supplying information	4	4
	(Rs. Lakhs.)	
Sales of cloth, yarn and waste	1,03	93
Commission on sales and other charges(1)	1·7	1·4
Percentage of commission charges to sales	1·63	1·48

(1) Inclusive of railway freight charges in respect of two mills.

(f) Maharashtra and Karnatak (excluding Sholapur and Khandesh).

——	1937	1938
Number of mills supplying information	3	3
	(Rs. Lakhs.)	
Sales of cloth, yarn and waste	37	43
Commission on sales and other charges	0·3	0·3
Percentage of commission charges to sales	0·90	0·78

It is clear that much higher charges for the marketing of cloth have to be paid in Bombay than in Ahmedabad. It is claimed in justification of this higher scale that the agents whose services are employed in Bombay in selling the yarn and cloth make themselves responsible for the fulfilment of the financial obligations undertaken by the purchasing parties. These risks, it is pointed out, are by no means nominal, and the payment the mills make is not incommensurate with the freedom from financial complications that they secure. On the other hand, it is urged by the mill agents in Ahmedabad that the agents and the intermediaries they employ act in Ahmedabad in as responsible a manner

as the sales agents in Bombay and that in a well-organized market the risk of losses is small if the mill agents exercise vigilance. Experience in Ahmedabad, it is asserted, shows no higher percentage of losses than in Bombay. We are disposed to agree with the view that the incidence of the charges for marketing yarn and cloth is high in Bombay, and we recommend that efforts should be made to bring down the scale of commission.

GOVERNMENT ASSISTANCE.

At several places in different chapters we have had occasion to refer to the steps that Government can take to assist in raising the level of wages. When the All-India Industrial Council is constituted, it should have a special section devoted to the question of the development of the export trade in cotton textile products. The principal market for the Indian industry is undoubtedly the home market, but the value of the export trade is not altogether negligible. When special trade agreements are the order of the day, it is essential that those entrusted with the duty of entering into the agreements always keep before them the views of the industry as put forward through a representative body. The Council may also put forward proposals for securing facilities for credit and reduction in freight charges for the export trade in textile manufactures.

The mills in Sholapur have a grievance in the matter of the freight charges they have to pay. These charges compare unfavourably with the tariffs for Bombay and Ahmedabad, both for cloth and for cotton. The following table contains the rates in respect of which a complaint was made to us, and we recommend that the Government of Bombay should make proper representations in the matter to the Railway Board :

TABLE No. 67.

Freight Charges for Cloth and Yarn.

Railway Station.	Freight charges per maund.	Number of miles.
From	Rs. a. p.	
Sholapur to Bombay	1 8 5	283
,, to Nagpur	2 11 2	572
,, to Madura	2 8 2	778
Bombay to Madura	1 10 0	1,136
,, to Nagpur	2 2 11	520
Ahmedabad to Madura	2 12 3	1,360
,, to Nagpur	2 6 10	596

The authorities of the mill in Poona made a representation about the octroi charges on coal and cotton and there were similar complaints from other centres. For instance, the Millowners' Association, Bombay, complained of the charges levied in Bombay for the water consumed for industrial purposes. Instead of there being any concession, the industrial consumer, it was complained, paid higher charges. We recommend that some uniformity of policy may be recommended by Government for adoption by the local bodies concerned. The basis on which special treatment can be accorded may be determined after consultation with all the interests affected.

CHAPTER X.

WELFARE WORK AND SOCIAL LEGISLATION.

In Chapters VIII and IX we have dealt with the broader aspects of "rationalization" in so far as the term relates to what is known as "efficiency measures" and with such aspects of financial and industrial organization as will secure to employers economies which will enable them to pay higher wages to the workers. We now proceed to consider certain other "measures which the employers, the employees and the Government should take to improve the wage level" and also to deal with matters germane to this subject. In this chapter we shall, therefore, examine the various methods by which the wage levels existing at any particular time can be raised by reducing the expenditure which the worker, through no fault of his own, has to incur, out of all proportion to his present income, for keeping himself in good health and in a condition that will enable him to discharge his duties efficiently. The provision by an employer or by any other agency or by the State of cheap, sanitary and adequate housing is one such method. The safeguarding of the workers' health by preventive care is another. The provision of facilities for the encouragement of thrift and for cheap borrowing and for safeguarding the worker from want during periods of sickness and unemployment and on retirement is a third. Others include such matters as primary and vocational education, the proper utilization of leisure and a number of activities that are covered by the term "welfare work".

We were often told during the course of our examination of the representatives of millowners' associations and of individual mills that cotton textile workers were given to an undue amount of loitering whilst at work, that absenteeism and labour turnover in the industry were very high and that, as a consequence, efficiency suffered. During the course of our tours in the Province, we visited several representative mills in Bombay and Ahmedabad and all mills in the other textile centres in the Province. In some centres we were particularly struck by the poor physique of the vast majority of the workers. They were badly clothed and appeared to be under-nourished. In a number of mills lighting and ventilation in certain departments were far from being satisfactory and conditions of work were such as to make sustained effort, for periods of four-and-a-half to five hours, difficult. In several mills atmospheric conditions left much to be desired and the heat, in a few departments, was intense. In one or two mills, shafts, rafters and machinery in most departments were full of dirt-laden fluff. Sudden changes in atmospheric conditions consequential on entry into and exit from hot and moisture-laden rooms often result, particularly during certain hours and seasons, in chills, colds and fevers, especially in the case of weak and under-nourished persons. In view of these conditions, the desire on the part of a worker to break away from work for short spells of time is understandable. The inhalation of quantities of cotton fluff and dust by persons whose physical condition is generally low may lead to more serious pulmonary infections and other afflictions,

compelling them to resort to both frequent and prolonged absences from work.

It has often been stated that the Indian worker is inclined to be slack in work and lazy, but there have been almost no investigations into the physical and psychological reasons behind the alleged laziness. It is axiomatic that in all pursuits a high standard of efficiency can be expected only from persons who are physically fit and free from mental worries, that is, only from persons who are properly trained, properly housed, properly fed and properly clothed.

In most of the leading industrial countries of the world, organizations such as industrial fatigue and health research boards, institutes of industrial hygiene, industrial welfare societies, institutes of industrial psychology and institutes of industrial welfare workers are doing extensive pioneering work, both by way of original research and propaganda, in the field of industrial welfare. These organizations, in many cases, in addition to being aided by grants by Government are maintained largely by generous donations made to them both by associations of employers and the employed and by individual employers. As far as we are aware, there are no similar organizations in India, although there are a few institutions which interest themselves in the welfare of the working classes. We think that it would be highly desirable if a beginning were made in the Province of Bombay for the creation of a composite institute of industrial hygiene, industrial psychology and industrial welfare. The duties of such an institute would comprise the carrying out of research work into industrial fatigue by making time and motion studies of different processes in industrial establishments and acting as a general clearing house for the collection and dissemination of up-to-date information regarding welfare activities in industrial establishments both in foreign countries and in India. We recommend that the initiative in this direction should be taken by Government and that employers should be requested to make contributions both for the starting and for the maintenance of such an institute.

WELFARE WORK.

At this stage it would be useful to understand what is meant by the term "welfare work". Mr. Arthur James Todd in his book "Industry and Society—A Sociological Appraisal of Modern Industrialism"(1) states: "A series of sharply diverse opinions exists on the motives and merits of industrial welfare work. There is not even complete agreement on a definition of welfare work. The United States Bureau of Labor Statistics in *Bulletin 250* defines it as 'anything for the comfort and improvement, intellectual and social, of the employees, over and above wages paid, which is not a necessity of the industry nor required' . . . . One of the chief activities of the National Civic Federation (which includes representatives of both liberal employers and labor leaders) is welfare work. Its attitude is,

(1) Pages 529 and 532-533.

therefore, significant. Welfare work is defined by it as 'the voluntary effort of the employer to improve the living and working conditions of his employees'; the underlying assumption of course being that 'the first essentials to the welfare of employees are steady work, a fair wage and reasonable hours of labor'. That the employer has a further obligation and should not attempt to substitute welfare work for better wages and shorter hours is clear from its added pronouncement that 'the spirit of the age has thrown upon the employer duties involving a proper regard for the comfort, health, safety and well-being of the employees'." In a note on "Welfare Work" in the Encyclopædia of the Social Sciences, Mr. H. S. Person states: "This term is used to describe the voluntary efforts of an employer to establish, within the existing industrial system, working and sometimes living and cultural conditions of his employees beyond what is required by law, the customs of industry and the conditions of the market."[1] Certain authorities make a distinction between welfare work and social work. Thus, Miss Harriet L. Herring in her book "Welfare Work in Mill Villages—The Story of Extra Mill Activities in North Carolina" states: "Welfare work has one very fundamental distinction from 'Social work'. The latter implies no relation between employer and employee, but rather suggests the activities of a State department or a volunteer organisation. Welfare work is always the work of an employer. Social work means to most people advice in the solution of individual or family problems through any possible adjustment. Welfare work attacks its problems in terms of the mill village and the mill trades. Most social work deals with separate families; welfare work does this only in part, for it consists largely of group and community adjustment and activities. Some mill welfare workers call themselves, and are called, social workers; such in a sense they are, but social workers with a difference."[2] According to this test, the work which the Social Service League, the Textile Labour Association, Ahmedabad, and the Labour Welfare Department of the Government of Bombay are doing at their various welfare centres would properly come within the sphere of social work.

There are several enactments which govern conditions of work and remuneration in the cotton textile mills in the Province of Bombay. The Indian Factories Act, 1934, empowers Local Governments, under the rule-making power given to them by the Act, to lay down standards for cleanliness, artificial humidification and cooling, overcrowding, lighting, provision of drinking water and water for purposes of washing, latrines and urinals, provision of first-aid appliances, rest shelters, rooms for children and for the fencing of dangerous machinery in motion. The Workmen's Compensation Act, 1923, provides for the payment, by certain classes of employers, of compensation to their workmen for injury by accident and to the dependants of workmen involved in fatal accidents. The Payment of Wages Act, 1936, regulates the payment of wages by enforcing prompt payment of wages due and by restricting the deductions which an

(1) Volume XV, 1935, page 395.

(2) Pages 9 and 10.

employer may make from such wages in respect of fines and other matters. The Bombay Maternity Benefit Act, 1929, regulates the employment of women in factories some time before and after confinement and provides for the payment of maternity benefits to them. We shall examine the relevant provisions of some of these Acts while commenting on each of the subjects we shall be dealing with in this chapter.

During our visits to the mills we paid particular attention to the welfare activities conducted by the management for the benefit of the workers. We were impressed by the welfare work undertaken by some of the mills. Speaking generally, organized welfare work of a comprehensive character in cotton mills in the Province of Bombay is conspicuous by its absence and is undertaken only in a comparatively small number of mills. The third of the General Wage Census Reports published by the Labour Office of the Government of Bombay gives a comprehensive survey of the welfare activities conducted by cotton textile mills in the Province in the year 1934. We considered the information then collected as somewhat out-of-date and we conducted a fresh survey in order to ascertain the position existing today. The details of existing facilities will be given in the respective sections dealing with each particular subject in this chapter.

Mr. Stones during the course of his oral examination before us, said : " The whole trend of my evidence both on behalf of the millowners and for myself has been that whatever you do in the way of higher wages or whatever you do in the way of shorter hours, you must provide amenities of some kind to employ that man's time healthily in healthy amusements, and if you do not provide him any means of interesting himself, he will go to the grog shop. You must educate him to the higher standard of living." In this connection we may quote Mr. Chas. Cheney, a leading New England manufacturer who, whilst speaking on the subject of " What keeps workers contented " before the Ninth Annual Convention of the Society of Industrial Engineers in the United States of America, said :

> " I very sincerely believe in intelligently planned and well organized ' welfare work ' and think that it is a first obligation of an employer of labor to do all that he rightly and reasonably can to make the lives of those who join with him in his undertakings as full of opportunity and of happiness and health as he possibly can ; but he must do it with a large, broad spirit and look upon its doing as the fulfilment of his obligations and not as a means of making his subjects amenable to his will . . . Does it pay ? I don't know — I believe it does and I certainly hope it does, but that is not the point. Does it pay to be honest ? I don't know. I believe it does and I certainly hope it does, but you and I are going to go on trying to be honest whether it pays or not, and we should shoulder our duties towards our associates in just the same spirit. We should do it because it is just and right to do it, but do not fool yourself into thinking that it will buy the kind of grateful pliancy that will

eliminate discontent and prevent frictions and troubles with your employees . . . It will not do that but it can help to provide a background for a right understanding based upon justice and fair play."[1]

Representative workers who gave evidence before us in Bombay and at all other centres preferred various complaints of a general character regarding conditions of work. The absence of any specific demands in their evidence for different kinds of welfare work appeared to us to be due more to ignorance of the improvements that could be effected than to a lack of appreciation of them. The attitude of the representatives of the Bombay Provincial Trade Union Congress and the other unions who appeared before us may best be summed up in the words of Mr. Dange who told us that "until such time as monetary wage levels reached a minimum standard, no contribution should be made to the indirect wages from the worker's wage".

Welfare work, intelligently conceived and generously administered, must in the long run repay the employer in the higher standards of efficient work which he will be able to secure from his employees. There are and there always will be limitations on the extent to which legislation can effectively control conditions of work in a factory. It can seldom, if ever, consider conditions with regard to the individual.[2] Here, and in many other cases, voluntary effort on the part of the management is called for. As the Royal Commission on Labour in India observed: "There is a danger in giving to welfare what should go in wages and so depriving the worker of independence and of the educative experience which comes from having a margin after necessities have been met. But ordinarily there is no question of choosing between raising wages and developing welfare activities. Employers who have done most in the way of welfare work do not usually pay lower wages than their neighbours. Indeed, welfare work is generally associated with wages higher than are paid in corresponding establishments where no such work is attempted. Extensive welfare schemes may be regarded as a wise investment which should, and usually does, bring in a profitable return in the form of greater efficiency."[3]

Housing.

Of the needs of the worker, scarcely any is so important as cheap and decent housing accommodation. It is now over twenty years since the Indian Industrial Commission emphasized the urgent necessity of improving the health and housing of the industrial population if the existing and future industries of India were to hold their own against ever-growing competition. Health and housing are closely interlinked and they have a direct influence on industrial efficiency although, as Mr. Harold Butler observes, it is astonishing to find how seldom any

(1) Quoted at page 533 of "Industry and Society", Arthur James Todd, 1933.

(2) This is borne out by the special memorandum regarding differences in individual treatment required by workers prepared by Dr. Dastur for the Tata Mills a copy of which was furnished to us by him.

(3) "Report of the Royal Commission on Labour in India", 1931, page 260.

attention is paid to the factor of hygienic living when the efficiency of the Indian worker is discussed.[1] When comparisons are instituted, for instance, between the textile workers in India and Japan, the difference in the living conditions of industrial labour in the two countries is, oftener than not, ignored. It was urged before us, as it was before the Royal Commission on Labour in India, that workers' houses in industrial areas were no worse than those to be found in the rural areas whence industrial labour was drawn and that workers in factories had no right to expect a better standard of amenities than they had in their native places. The Royal Commission has effectively dealt with this plea in the following terms :

> " In the villages the houses may be dark and unventilated and their surroundings insanitary, but most of them have some sort of enclosure or courtyard which provides light, air and a certain degree of privacy. In the urban and industrial areas, on the other hand, cramped sites, the high value of land and the necessity for the worker to live in the vicinity of his work have all tended to intensify congestion and overcrowding. In the busiest centres the houses are built close together, eave touching eave, and frequently back to back in order to make use of all the available space. Indeed, space is so valuable that, in place of streets and roads, narrow winding lanes provide the only approach to the houses. Neglect of sanitation is often evidenced by heaps of rotting garbage and pools of sewage, whilst the absence of latrines enhances the general pollution of air and soil. Houses, many without plinths, windows and adequate ventilation, usually consist of a single small room, the only opening being a doorway often too low to enter without stooping. In order to secure some privacy, old kerosene tins and gunny bags are used to form screens which further restrict the entrance of light and air. In dwellings such as these, human beings are born, sleep and eat, live and die."[2]

Despite the attention previously bestowed on the question and the recommendations made by the Royal Commission, it has to be recorded that the last decade has witnessed no appreciable change for the better in the matter of housing in the various centres of the cotton textile industry in the Province. The Report of the Rent Enquiry Committee, for instance, shows that both in Bombay and Ahmedabad the supply of housing accommodation of one-room and two-room tenements for the working classes has not kept pace with the demand, that rents continue to remain high and that the minimum amenities provided are still deplorably inadequate. Although, in the opinion of the Rent Enquiry Committee, high rents do not present much of a problem in Sholapur, the housing conditions in that centre are far from being satisfactory. From our own observations we are able to endorse these views and would like to add that in the other urban areas covered by the industry in the Province, the housing conditions are, in general, equally unsatisfactory. These observations,

(1) " Problems of Industry in the East ", Harold Butler, 1938, page 28.

(2) " Report of the Royal Commission on Labour in India ", 1931, pages 271-2.

however, may not hold good, as a general proposition, in respect of the provision for housing made by mills in various centres and by Government or the local authorities in a few ones.

PROVISION OF HOUSING BY EMPLOYERS.

We shall first examine the housing accommodation provided by the employers in various centres, either individually or through a separate corporation as in Ahmedabad. The following table gives information about the provision made for housing by employers:

TABLE No. 68.

Extent of Housing provided by Cotton Mill Employers in different centres in the Province of Bombay.

Centre.	No. of employers providing housing.	Total number of tenements.*	Single-room.	Double-room.	Three rooms and over.
Bombay	21†	4,301	3,354	939	8
Ahmedabad	28†	2,749	2,282	467	..
Sholapur	5	1,547	1,238	219	90
Viramgam	2	450	450	..	..
Nadiad	1	470	470	..	..
Broach	1	275	275	..	..
Surat	2	73	23	50	..
Amalner	1	266	266	..	..
Dhulia	1	335	315	..	20
Barsi	1	116	116	..	..
Tikekarwadi	1	70	70	..	..
Gokak	1	1,230	..	1,081	149
Hubli	1	256	256	..	..
Gadag	1	40	20	20	..

*Includes rent free quarters provided to some of the menial staff.

†There were 58 reporting mills in Bombay and 67 in Ahmedabad—two mills were closed and one did not supply information.

Of the mills that have provided housing accommodation in Bombay, four are concerns which took advantage of the facilities available under the Bombay City Improvement Trust Act (since repealed) which

enabled the Improvement Trust to acquire land, to construct chawls and to treat the aggregate expenditure involved as a loan repayable by the mill concerned in thirty annual instalments. Funds were raised by the Improvement Trust by means of a special loan. The accommodation provided in the chawls owned by the mills in Bombay consists mostly of one-room tenements. The total number of chawls is 166, of which 99 have some vacant space around them. *Nahnis* or bathing places are provided in 101 of the chawls, and 103 have verandahs attached to the rooms. Electric lights are supplied only by one group of mills owning 504 tenements; in the remaining, only the common passages and staircases have electric lights. Latrines are fitted with flushes except in four sets of chawls located in the Bombay Suburban District where there is no system of underground drainage. The majority of the rooms are between 10′ × 10′ and 15′ × 12′ in size and the monthly rent varies from Rs. 3 to Rs. 5. The average number of persons residing in a tenement is shown to be between 3 and 4. The figure of capital expenditure incurred by the mills for 157 chawls for which information was available is put down at Rs. 57,01,740 and the expenditure on annual repairs for 155 of the chawls is shown to be Rs. 78,106 or 1·44 per cent. of the capital expenditure. The net return varies from 1·3 per cent. to 3 per cent. and in no case does the income exceed 4 per cent.

The figures of workers housed in Ahmedabad as shown in the table given above are inclusive of the persons residing in the 435 tenements provided by the Ahmedabad Mills' Housing Society Ltd. This is a body registered in 1933 under the Indian Companies Act with the main object of providing "proper sanitary housing arrangement for the working classes and other middle class persons employed in the textile and other industries by newly constructing and/or repairing existing tenements for the purpose." The Society has a paid-up share capital of Rs. 1,14,000 mainly subscribed by the mills in Ahmedabad and has raised debentures of the value of Rs. 1,65,000. The cost of the tenements owned by the Society is Rs. 2,50,000, and the gross income from rent was Rs. 20,609 in 1938. The accommodation, which is all one-storeyed, consists of two-room tenements of 12′ × 12′ and 6′ × 12′ with an open verandah of 7′ × 12′, there being also some open space in front. Rent is charged at Rs. 4 per month per tenement. Though the tenements were not fully occupied in the early years, the percentage of unoccupied tenements went down to 4·2 in 1938. In the tenements provided by individual mills, the accommodation does not usually reach the standard adopted by the Mills' Society, although that provided by a few mills is even superior. The rents charged vary from Re. 1-1-0 to Rs. 8-0-0 per month, the most common charge being between Rs. 4-0-0 and Rs. 5-0-0.

In Sholapur, all the mills have constructed tenements for the housing of a section of their labour force, and the accommodation is ordinarily better and cheaper than that available elsewhere in the city. The usual rent for tenements consisting of one room and a verandah is Rs. 1-8-0 per month, the minimum being as low as annas twelve per month.

The investment on buildings, according to the representatives of the mills in Sholapur, brings in no net return as in addition to the low rents charged certain other amenities are also provided.

At a majority of the other centres, there are arrangements made for housing some of the workers employed at the mills. The standard of accommodation varies. Among the labour colonies visited by us, at one end we saw the well laid out, self-contained colony that has grown round the Gokak Mills where no less than 1,967 out of the 2,983 persons employed in the mills reside. At the other end were some old tenements provided by one of the mills at Viramgam. In our opinion, there is no utility in the mills supplying housing accommodation unless a definitely higher standard is aimed at and unless considerations of profit-making do not enter into the transaction.

PROVISION OF HOUSING THROUGH LOCAL BODIES AND GOVERNMENT.

The only two centres where public authorities have interested themselves in the problem of industrial housing are Bombay and Ahmedabad. The first move was taken in Bombay about thirty years ago with the provision of facilities through the Bombay City Improvement Trust to which a reference has already been made. With the outbreak of the war in 1914 this move received a setback: this was, indeed, unfortunate as the need for the expansion of housing was never so keen as during the period that succeeded the close of the war. The total number of tenements constructed by the Improvement Trust for four mills was 2,045, while, as a part of the programme of rehousing persons dishoused by the slum clearance operations of the Trust, the number of tenements constructed was 9,330. These tenements are exclusive of the semi-permanent sheds put up by the Trust which today number about 2,800. The percentages of tenements occupied by textile workers in the chawls and semi-permanent sheds owned by the Municipality are estimated by the Municipal Commissioner, Bombay, at 20 and 35 respectively. The monthly rents per tenement vary from Rs. 4-15-0 to Rs. 10-8-0 for the chawls and from Rs. 2-8-0 to Rs. 6-0-0 per month for the sheds. The Municipal Commissioner stated during the course of his evidence that the rent was not sufficient to meet the outgoings and the Municipality had to suffer a loss of Rs. 3,96,696 per annum or Rs. 3-5-0 per room per month. Besides this, the Bombay Municipality holds, in the estates acquired by the old Improvement Trust, chawls consisting of some 5,000 one-room tenements, 25 per cent. of which are reported to be occupied by textile workers. Out of the tenements owned by the Municipality, 159 semi-permanent sheds and 717 rooms in acquired chawls are vacant. According to the evidence before us the Bombay Municipality has formulated no programme for the housing of industrial workers in the city.

In 1920 the Government of Bombay embarked upon an ambitious scheme of industrial housing to provide 50,000 tenements estimated to cost 5·5 crores of rupees. The scheme was financed out of the Development Loan issued by Government, the charges on which were met partially out of the town duty of one rupee for every bale of cotton entering

Bombay. The total number of one-room tenements provided under the scheme was 16,524, built at an average cost of Rs. 2,084 per tenement. Out of these tenements, 327 have been reserved for shops. In 1937, Government appointed an Industrial Housing Committee on the recommendation of which they agreed to spend a total sum of Rs. 10·5 lakhs for the purpose of effecting certain structural alterations and improvements. Expenditure to the extent of Rs. 4·5 lakhs was incurred for this purpose in 1938 and, as a result of the alterations effected and the amenities provided, the tenements of the Development Department have begun to attract tenants in larger numbers than before. Out of the 207 chawls, no less than 192 are now occupied, and the monthly income from rent increased from Rs. 50,668 in 1937 to Rs. 69,751 in 1939. The following table shows the number of tenements occupied in the chawls owned by Government, the population housed in the chawls being now well over 63,000 persons not all of whom are, of course, textile workers:

TABLE No. 69.

Number of Living Rooms provided and occupied in the Development Department Chawls, Bombay.

Locality.	Total number of rooms.	Number of rooms occupied as on		
		31st March 1937.	31st March 1938.	29th July 1939.
Naigaum	3,264	2,677	2,880	3,189
DeLisle Road	2,543	1,932	2,047	2,203
Worli	9,472	3,168	4,169	6,963
Sewri	918	645	666	771
Total ..	16,197	8,422	9,762	13,126

The tenements, as remodelled, are fairly well lighted and they contain suitable bathing places and latrines. Still, as the Royal Commission on Labour in India observes, it is hoped that this plan will not be copied in any future housing schemes.

In Ahmedabad, it is only during the last ten years that there has been some appreciation on the part of the local authorities of their responsibility in the matter of housing. The progress in the construction of houses is, however, still very slow, only 154 tenements having been provided till now for Harijans and 100 for others. The number of tenements under construction is 580. The rent charged is Rs. 2-0-0 for Harijans and Rs. 5-8-0 for others. The standard of accommodation is two rooms and a verandah, all in single storey structure, with some

open space on all sides. To our knowledge, no other local body in the cotton textile centres of the Province has interested itself in the problem of industrial housing.

GENERAL HOUSING CONDITIONS.

We shall now proceed to survey, briefly, the housing conditions for the bulk of the labour population in the principal centres of the industry—that large section of the population which is not housed in the chawls or huts built by the employers or by Government or by municipal authorities. These conditions were examined so recently as in September 1938 by the Labour Office of the Government of Bombay with the object of facilitating the work of the Rent Enquiry Committee; and Volume II, Part IV, of the Report of that Committee contains the results of this inquiry by the Labour Office into working class housing and house rents in Bombay, Ahmedabad and Sholapur. The inquiry was by the sample method and the number of families for which information was collected was 2,175 in Bombay, 1,872 in Ahmedabad and 667 in Sholapur.

In Bombay, the investigation was confined to the E, F and G wards, which are the principal working class localities in the city. The statistics collected show that of the families covered, 91·24 per cent. live in one-room tenements and that the average number of persons residing in each such tenement is 3·84. The approximate floor space available per person and tenement is 26·86 and 103·23 sq. ft. respectively. The average monthly rent is Rs. 6-14-4 for one-room tenements, the figure varying between Rs. 5-0-0 and Rs. 9-0-0 for 79 per cent. of the total number of families. Taking the two and three-room tenements into consideration, the average monthly rent for all tenements is Rs. 7-6-6 and represents 17·07 per cent. of the average income, although for the income groups comprising the majority—55 per cent. of families covered—the proportions are between 18·30 per cent. and 23·51 per cent. One-room tenements constitute 81 per cent. of the total tenements in the city, 74 per cent. of the population of which dwells in these tenements. The average number of persons occupying the one-room tenements according to the last census is 4·01. There are back to back houses, and the lighting and ventilation in the older structures are defective as are the sanitary conveniences. The rules and bye-laws of the Bombay Municipality regulating building and housing conditions are found by experience to be inadequate to deal with the growth of slums.

Housing conditions in Ahmedabad are hardly better. Chawls are not very common, but their place is taken by huts and semi-permanent sheds comprising 35·77 per cent. of the total number of tenements occupied. It is estimated by the Textile Labour Association, Ahmedabad, that there is a deficit of 20,000 working class tenements and, according to the Rent Enquiry Committee, the level of rents shows a definitely upward tendency. In Sholapur, the investigation reveals that ventilation is bad in no less than 88·64 per cent. of the structures examined. The huts in which large numbers of the population reside are no better than hovels put up without any plan and provide bare shelter but scarcely any amenities. As the growth of this form of housing results in the creation of slums, these hovels call for demolition. The following

figures compiled on the basis of the investigations made by the Labour Office show the position in respect of overcrowding and rents in Ahmedabad and Sholapur:

TABLE No. 70.

Average Monthly Rent paid by and the Approximate Floor Space available for Families.

—	Ahmedabad.	Sholapur.
Percentage of families occupying one-room tenements	73·82	58·24
Number of persons residing in one-room tenements	3·95	4·31
Floor space in sq. ft. for one-room tenements. per person	35·98	21·25
Floor space in sq. ft. for one-room tenements. per tenement	142·01	91·62
	Rs. a. p.	Rs. a. p.
Average monthly rent for—		
One-room tenements	5 0 4	2 5 3
All tenements	5 11 7	2 15 4
	Per cent.	Per cent.
Proportion of average monthly rent for all tenements to average monthly income	14·09	11·39

The highest proportion of rent to income is 37·97 per cent. in Ahmedabad and 26·55 per cent. in Sholapur, but the range of the highest frequency lies between 14 per cent. and 19·04 per cent. in Ahmedabad and 10·34 per cent. and 17·63 per cent. in Sholapur. For the other centres, no detailed statistical information is available, but the inquiries into family budgets conducted by the Labour Office convey an idea of the expenditure incurred on rent at the various centres. The following table sets out the proportion that the expenditure on rent bears to the total monthly expenditure of the families for which figures have been collected:

TABLE No. 71.

Average Amount of Expenditure on Rent and Proportion of Rent to Family Expenditure.

Centre.	Average amount of expenditure on house rent.	Percentage of expenditure on house rent to total expenditure.
	Rs. a. p.	
Jalgaon	2 3 3	9·03
Amalner	2 7 6	10·07
Chalisgaon	1 13 9	7·20
Dhulia	2 6 5	9·33
Viramgam	2 0 9	7·20
Nadiad	1 6 5	4·83
Broach	1 10 2	5·64
Surat	2 1 3	7·00
Barsi	1 1 2	6·19
Gadag	0 13 10	4·14
Hubli	1 1 6	4·59

NEED FOR STATE AID.

Neither in the smaller centres nor in the three principal centres of the industry, namely, Bombay, Ahmedabad and Sholapur, can the housing conditions of the workers be deemed adequate or satisfactory. It is obvious that, in view of the influence attaching to decent hygienic living conditions in increasing the general efficiency of workers, the problem is not one which can any longer be left to private enterprise to solve. It is necessary, in our opinion, to formulate a well-planned housing programme. We recommend that, pursuant to the recommendation made by the Royal Commission on Labour in India, Government should convene, as early as possible, in the various centres, conferences of all the parties interested in the provision of housing for examining the requirements and for drawing up plans for the construction of houses and for meeting the cost of the schemes. The Director of Public Health has stated in his memorandum that Government have prepared for free circulation type plans of cheap and hygienic quarters. They have also published plans and specifications of houses suitable for working classes. These plans, specifications and estimates should be furnished to the proposed conferences. Although Government should participate in the formulation and execution of the housing programmes, the main responsibility for development should rest with the local authorities. This is in accordance with the practice followed in other countries. The British National Housing Committee, for instance, in its report on " A National Housing Policy " published in 1934 held the view that while provision for housing accommodation was to be planned under the aegis of a statutory housing commission, the local authorities themselves would undertake to build houses according to the programmes drawn up from time to time. This is also in consonance with the trend of devolution of authority in India. It is the local body which is responsible for controlling the layout of areas and the construction of houses, for maintaining proper hygienic and sanitary conditions and for attending to the health and well-being of the residents. Overlapping of authority or divided responsibility is scarcely conducive to ordered progress.

It is plain, however, that in large industrial centres like Bombay or Ahmedabad the problem has now assumed such vast proportions that the Municipalities of both the cities may find it difficult to cope with the situation unless their efforts are supported by the Provincial Government. This help may be given in diverse ways. Where Government land is available, Government should agree to lease or sell it on concessional terms to or through the local body. Government should supplement the resources of local bodies by making grants and, where necessary, by means of legislation increasing their sources of revenue. Lastly, Government may assist in the floatation of loans for the financing of housing programmes or they may even float special loans themselves for this purpose or grant some form of guarantee such as will entitle the debenture or other stock that is issued to rank as a trustee security. The housing of the lower paid workers at rents within their means should thus be accepted as a public service and the conferences to be convened

should draw up programmes to be completed in a period of ten years, as recommended by the Rent Enquiry Committee. The primary responsibility for performance of this service should be that of the local body with the assistance of Government in the raising of funds, the provision of land and the enactment of suitable legislative measures of control, as suggested above. Experience in other countries indicates that the problem of the housing of low paid industrial workers cannot be solved effectively except on a subsidized basis, for there is no prospect of the need being met satisfactorily through private enterprise building for profit. The main reason why private enterprise cannot be depended upon to meet the situation is that, considering the low scale of rents which alone it is within the capacity of the bulk of industrial workers to pay, landlords can earn a return on their investment only by ignoring considerations of health and hygiene in the building of their tenements and by permitting overcrowding. The extent of the subsidy that is necessary, the form in which it can most suitably be given and the agency through which the local bodies can best administer the scheme—these are all matters which may well form part of the initial discussions at the joint conferences that we recommend should be convened by Government at an early date.

The representative bodies of the employers in Bombay and in Ahmedabad both disclaim direct responsibility for the provision of housing accommodation for the labour employed in the mills. The primary responsibility, in their opinion, rests with the local authorities, although some of the employers have undertaken voluntarily to house their workers. They urge that housing schemes invariably turn out to be unremunerative, and, therefore, indirectly add to the burden on the industry. The textile concerns are no more responsible for housing their employees, it is further argued, than any other employers of labour. Among large employers of labour, it is only agencies like Government, or the Railways, the Port Trust or the Municipal Corporation in Bombay that arrange for the housing of some part of their total labour force ; there is, however, no provision for housing the labour employed at the workshops of the two railways in Bombay. The Bombay Provincial Trade Union Congress also holds the view that the responsibility for housing workers should be placed on the State on the ground, among others, that in the premises provided by mills the public activities of the workers are likely to be hampered by restrictions imposed by the employers. Inconvenient situations have, it is stated, often arisen during times of industrial strife when workers have been called upon either to resume work or to vacate the houses provided by employers. The right to organize meetings in the compounds of chawls has been denied and trade union organizers and other public workers are occasionally refused access to the workmen's dwellings owned by employers. A recent High Court judgment makes it clear that so long as the workmen pay rents, they have the right to the unfettered use of the premises let to them, subject to the exercise of this use not being prejudicial to the tenants, relations with their neighbours and to there being no annoyance caused

to the public. What rights are accorded to tenants by law cannot be denied to workmen staying in tenements owned by the employers. Nevertheless, this grievance strengthens the case for housing being owned by public authorities and not by the employers. While the burden of actually providing dwellings for industrial workers cannot be placed on individual employers, the employers of labour as a class can well be called upon to assist in the provision of finance for housing schemes undertaken by local bodies.

For this reason, too, we do not favour the proposal put forward by the Tariff Board (1927) in paragraph 66 of its Report that blocks of chawls, built by the Bombay Development Department, might be taken over by groups of mills or by the Millowners' Association, Bombay. One chawl has been taken over by a mill by an arrangement which has led to a reduction in rent for the workers as a result of a guarantee given by the mill for the payment of rent. The Bombay Provincial Board of the Harijan Sevak Sangh has also entered into a similar arrangement with the Bombay Municipality. These arrangements are capable of extension though, in our opinion, the leasing of chawls should be not by the employers but by a public welfare body or by a tenants' co-operative society which can collect a small guarantee fund of its own. Some of the larger co-operative societies for employees of mills which have accumulated fairly substantial funds of their own may well interest themselves in this new form of co-operative endeavour.

CO-OPERATIVE HOUSING SOCIETIES.

The Royal Commission on Labour in India favoured the provision of housing through workers' co-operative societies. The societies would stimulate the desire among workers to secure better living conditions and instil a sense of responsibility in the matter of sanitation and hygiene. Government and the employers, the Commission recommended, might encourage this line of action by granting suitable facilities for the acquisition of land and the raising of funds, while the employers might assist by giving loans and allowing subsidies. The Textile Labour Association, Ahmedabad, approves of the formation of co-operative housing societies on the lines recommended; the Bombay Provincial Trade Union Congress, however, holds the view that the problem is too vast to be solved by co-operative effort. Co-operative housing has made some progress in this Province, but it has been almost entirely among the middle classes. It is only in Ahmedabad that there are co-operative housing societies for workmen, and it is interesting to note here that they do not receive any subsidy from Government, the Municipality or the employers. This enterprise is confined to workers in textile mills belonging to the scheduled classes. The number of registered societies is two while two more have not yet secured registration. Some details in connection with the working of the societies will be of interest. The two registered societies have supplied housing accommodation to 110 families. The special feature of these societies is the social work carried on for several years prior to their organization. All buildings in this society are uniform. They are semi-detached tenements, each having one living

room 15′ × 8′, a small room 8′ × 10′, a kitchen 8′ × 8′ and two covered verandahs 23′ × 8′ and 10′ × 8′. They are built in brick and mortar. They have a reinforced concrete terrace over the main room, and a Mangalore-tiled roof over the rest of the building. The area of the site for each tenement is 255 square yards, each tenement is open on three sides and has an open space for gardening. The cost of the land was Rs. 400 and that of the building Rs. 800, bringing the total cost of each tenement to Rs. 1,200. The amount contributed by each member was Rs. 400, and the Ahmedabad People's Co-operative Bank Ltd., advanced a loan of Rs. 800 to each member, repayable by monthly instalments of Rs. 10. Before joining the societies, the members lived in rooms 12′ × 12′ and paid Rs. 6 per month as rent. The total value of the houses with the land is Rs. 1,32,000, against which the members took loans aggregating to Rs. 83,200. By the end of 1938, 37 members had cleared off their liabilities to the bank. The two unregistered societies have a membership of 63, and the value of the buildings and lands in their colonies is Rs. 69,800 against which they have taken aggregate loans of Rs. 37,800 from the bank.

Akin to these co-operative colonies is the housing colony comprising 65 tenements which has been formed through the efforts of the Textile Labour Association, Ahmedabad. The construction of the houses was undertaken by the Association in a town planning area with a view to providing a model for private owners, the Municipality and the employers. The tenements consist of two rooms 14½′ × 10′ and 11′ × 18′ with a kitchen 8′ × 7′, a verandah 19½′ × 7′ and a courtyard 19½′ × 18′. The cost of construction is Rs. 1,300 per tenement and the workers who take this up have to pay Rs. 10 per month on an amortization plan to become owners of the dwellings in 25 years' time.

In order that the co-operative type of organization may be encouraged and may flourish, it is necessary that not only should Government continue their policy of granting long term loans at low rates of interest to co-operative housing societies to the extent of three-fourths of the cost of the land and buildings but also that they should actively encourage the formation of such societies. In case there is a prospect of a large number of co-operative housing societies being organized in centres like Ahmedabad and Sholapur, Government may examine whether a special building corporation on the lines of the public utility societies that are a feature of recent housing development in Great Britain cannot be started to provide these societies with cheap long term capital.

STANDARD OF HOUSING ACCOMMODATION.

It is recognized on all hands that the present conditions of working class housing need to be improved radically in the interest of the health and well-being of the workers and their families. As the Rent Enquiry Committee has recommended, it is desirable in future to discourage the construction of one-room tenements in Bombay. Wherever such tenements are in existence, the standard of accommodation should be a minimum size of 180 square feet to house not more than four persons. To conform to this standard, the existing one-room tenements should

not provide for the residence of more than 2·5 persons per 100 square feet, so that each individual would enjoy a minimum floor space of 40 square feet. A two-room tenement is considered as the minimum requirement by almost all the witnesses we examined on the subject. We endorse this view but would add that along with this accommodation there should be proper provision for a kitchen, a loft and a bathing and washing place. This accommodation should be exclusive of the area required for bath room and latrines for general use to be provided in suitable numbers on different floors in case the accommodation is in the form of chawls with more floors than one. Water connections should be so devised as to ensure a regular supply at least in the mornings and evenings, especially for the upper floors of chawls. The municipal regulations should provide that the landlords should arrange for the maintenance of dust bins and their regular cleaning and for the sanitary upkeep of the common passages, courtyards and compounds. The building and other bye-laws may be amended for this purpose, if necessary. These observations apply also to Ahmedabad, Sholapur and other centres. Along with this, municipalities should be empowered to deal expeditiously with houses considered unfit for human habitation and to arrange for their demolition or immediate conversion to non-residential use. The structures constructed entirely of corrugated iron sheets and other types of semi-permanent sheds should, we recommend, be similarly dealt with. Lastly, by suitable changes in the present enactments, local authorities should be authorized, we recommend, to take in hand and execute housing schemes in the areas served by them. Into the details of the legal enactments that may have to be made or amended we do not enter as we are in general agreement with the recommendations made in this behalf by the Rent Enquiry Committee.

Education.

Nothing impressed us more during our tours of the various cotton textile centres of this Province than the almost complete absence of education among workers. This lack of education is partially responsible for the slow and tardy development of labour organizations in this Province ; it also affects the efficiency of the workers. While it is not necessary for us to deal with the question of education in general, we feel that we would be failing in our duty if we did not examine certain aspects of this problem in so far as they concern the welfare and efficiency of cotton mill workers.

Reporting as far back as 1918, the Indian Industrial Commission stated : " A factor which has tended in the past to delay the progress of Indian industrial development has been the ignorance and conservatism of the uneducated workmen. The evidence tendered by employers was almost universally in favour of labour, both skilled and unskilled, that had at least received a primary education. This is given in countries with which

India will have to compete and is a *sine qua non* in this country also."[1] As the Royal Commission on Labour in India pointed out, " in India nearly the whole mass of industrial labour is illiterate, a state of affairs which is unknown in any other country of industrial importance." . It went on to add : " It is almost impossible to overestimate the consequences of this disability, which are obvious in wages, in health, in productivity, in organization and in several other directions. Modern machine industry depends in a peculiar degree on education and the attempt to build it up with an illiterate body of workers must be difficult and perilous. We would emphasize the fact that, precisely because of this, the education of industrial labour should receive special attention."[2] Referring to the question of the employers' responsibility in the matter of education, the Commission observed : " The main responsibility for education in industrial areas cannot be thrown upon employers. In this, as in other matters, some employers have done admirable work in the attempt to remedy the deficiencies of the responsible authorities, and we believe that few would be unwilling to co-operate if definite and reasonable schemes were put before them . . . . Without doubt the task is primarily one for the community, acting through local bodies and Government, and we would repeat, in the interests of Indian industry and labour, that the industrial areas have a special claim to attention . . . . It is for the education authorities to take the lead, but the end in view justifies them in calling on employers' associations and individual employers to assist . . . . We suggest that employers might assist, wherever possible, by lending buildings in the workers' lines or the factory compounds, by equipping schools and in other ways."[3] An almost similar view was taken by the Bombay Adult Education Committee which said : " While the primary responsibility for the literacy education of the adult worker rests with Government, the Committee feel that the employer must also share in this responsibility."[4] The four representatives on that Committee (representing the Bombay and the Ahmedabad Millowners' Associations and the G. I. P. and the B. B. & C. I. Railways), however, attached a minute of dissent to the Committee's Report objecting to any responsibility being placed on employers in the matter.[5] In this minute they stated that their dissent was based upon what they regarded as a matter of principle, namely, that there should be no compulsion upon employers as a class—much less on any particular class or classes of employers—to contribute financially towards the education of their illiterate adult employees. Their objection was two-fold : (1) education (including that of adults) being primarily a responsibility of Government and local authorities, the employers of labour as a class should not be singled out for sharing it with them ; and (2) no invidious discrimination should be made between one employer

(1) " Report of the Indian Industrial Commission ", 1918, page 96.
(2) " Report of the Royal Commission on Labour in India ", 1931, page 27.
(3) *Ibid*, pages 28 and 29.
(4) " Report of the Adult Education Committee ", 1938, page 19.
(5) *Ibid*, pages 55 to 57.

and another. In the opinion of these representatives, all that employers might reasonably be required to do at the present stage should be limited to affording facilities for the use of their premises for the conduct of adult education classes, wherever this is found possible. Although we hold that the main responsibility for education must ultimately rest with the State, we cannot subscribe to a principle which absolves employers as a class from assuming any responsibility in the matter of the education of their employees and their children. Industry is bound to benefit by having a body of educated workers. We shall indicate below the manner in and the extent to which employers should assist in liquidating illiteracy.

PROVISION OF FACILITIES BY EMPLOYERS.

Out of fifty-eight mills in Bombay which have supplied information to us on the subject, twenty-two have made provision for either primary or technical education of workers or their children. Messrs. E. D. Sassoon & Co., Ltd., conduct three schools at a cost of a little over Rs. 1,200 per year. Three mills had evening or night schools, four had special classes for adult education; two mills provided workers' children attending municipal schools with books and stationery, and one mill conducted a sewing and embroidery class for the benefit of its women workers. One mill reported that the night school run by it for some time had to be closed on account of feeble response from workers. Sixteen mills in all granted scholarships or concessions or both in the matter of leave with pay to those workers who attended the technical school conducted by the Social Service League or the Saturday classes for technical apprentices at the Victoria Jubilee Technical Institute. The total amount paid as scholarships by eleven mills during the year 1938 was Rs. 758, out of which mills under the agency of Messrs. E. D. Sassoon & Co., Ltd., granted sixteen scholarships of the total value of Rs. 638. Only three mills in Ahmedabad had provided schools for the benefit of workers' children, but it is understood that other mills are considering opening adult education classes in response to an appeal in this direction made by the Ahmedabad Millowners' Association. Among centres in Gujerat outside Ahmedabad, one mill in Broach has provided rent-free quarters to a mission school which caters for the education of its workers' children, while the mill at Nadiad pays the rent of the building in which the primary municipal school is housed. Two out of the five mills in Sholapur conduct kindergarten schools and grant a sum of Rs. 155 by way of scholarships to their workers attending the municipal technical school. Only one out of the five mills in Khandesh conducts a primary school, while one mill gives rent-free quarters to the municipal primary school. Four out of the eight mills in Maharashtra and Karnatak, excluding Sholapur and Khandesh, have made provision for primary schools. These include the mill at Gokak which conducts an English middle school and night classes for workers, in addition. In view of the above facts, the action taken by employers in the cotton textile industry in regard to education must be

considered as very meagre. In this connection it will be of interest to note that 25 out of 40 sugar factories in Bihar maintain at least four literacy classes. Some have appointed their own literacy officers. The employers bear the whole cost and the only contribution by Government is the free supply of books. At Jamshedpur, the Tata Iron and Steel Company conducts 60 classes and gives instruction to more than 2,000 adults, including women. Most of the colliery owners have also started adult classes of their own.

Among unions of cotton mill workers, the only one which is doing any work in the field of education is the Textile Labour Association, Ahmedabad. During the year 1938 the Union conducted fourteen day and night schools and fifty-nine adult education clasess at a total expenditure of over Rs. 26,000 which included the annual contribution of Rs. 15,000 from the Tilak Swaraj Fund collected by the Millowners in Ahmedabad. The figures for numbers enrolled and the daily average attendance are as set out in the following table :

TABLE No. 72.

Educational Work undertaken by the Textile Labour Association, Ahmedabad.

Type of education.	Number of classes.	Numbers enrolled.			Average daily attendance.
		Males.	Females.	Total.	
Day and Night Schools	14	519	158	677	527
Adult Education Classes	59	1,063	191	1,254	852
Total ..	73	1,582	349	1,931	1,379

We had the opportunity of seeing the educational work done by the Textile Labour Association at Ahmedabad and we think that the attempts made by the Association to spread literacy are creditable.

PROVISION FOR COMPULSORY EDUCATION.

The position with regard to primary education and the introduction of compulsory elementary education in most centres of the cotton textile industry in this Province is as follows : In Bombay, compulsory primary education was introduced in the F and G wards of the city in the year 1925. The Municipal Corporation decided in 1939 to introduce compulsion in the remaining five wards of the city from January 1940, and Government have given their sanction to this proposal. It was estimated that in October 1939, 20,000 children (of all ages) of textile workers were attending municipal schools in the F and G wards, and an additional 10,000 such children were attending municipal schools in the other five wards of the city. If children of compulsory school-going

age (namely, six to eleven years) alone are considered, it has been estimated, on the basis of a recent census conducted by the Municipality of Bombay, that over 82 per cent. of the children belonging to the textile workers' class (namely, 14,000 out of 17,000) were attending municipal schools in the F and G wards at the beginning of October 1939. If the whole of the city is considered, this percentage was 74 (20,000 out of 27,000).

The Ahmedabad Municipality reported to us that it submitted a scheme for compulsory primary education in the city of Ahmedabad to Government in 1925, but that it had not yet been sanctioned. The Municipality has, therefore, worked for expansion of primary education on a voluntary basis and has opened new schools whenever a demand has been made in any locality. In October 1939, there were 211 municipal primary schools in the city with 41,205 pupils. In order to satisfy the educational needs of the children of textile workers coming from Northern India and Maharashtra, the Ahmedabad Municipality has started eight Hindi and three Marathi schools in textile labour areas and the number of pupils attending these schools in October 1939 was 1,089. The Municipality estimates that provision for the education of about twenty thousand more children will have to be made if compulsory primary education is introduced in the city and that of these 20,000 children 13,000 will be children of persons employed as textile workers.

Compulsory elementary education was introduced in wards numbers 1, 2 and 3 of Sholapur City in November 1927 for boys only. With a view to applying compulsion to the whole city, a census of all boys of school-going age was taken between June and September 1939, which showed that 6,848 out of 9,871 boys attended either municipal or aided boys' schools. No information is available regarding the percentage of children of textile workers in these figures. The Surat Borough Municipality was among the first local authorities in this Province to introduce compulsory elementary education. This was in January 1920. Compulsion was applied both for boys and girls and no portion of the city was omitted from its operation. On the 31st March 1939, there were 14,722 children of compulsory school-going age who were attending primary schools. These represent approximately 65 per cent. of the total number of children of school-going age in the city. No compulsion has been introduced in Nadiad, but the Municipality estimates that about 250 children of textile workers attend one or the other of the 17 schools managed by the local authority. Compulsion was applied within the limits of the Dhulia Municipal Borough on the 1st March 1923 both for boys and girls. The total number of children attending municipal schools on the 31st March 1939 was 6,365 and these represented 96·8 per cent. of the children in the city to whom compulsory education was applicable. The Amalner Municipality reported that compulsion had not yet been introduced within the area of that local authority, but it was estimated that 1,150 children of cotton textile workers were attending the primary schools established by the Municipality and that these

represented 76 per cent. of the total number of all children of school-going age in the area. Compulsion had also not been introduced in Jalgaon and Chalisgaon, which are the two other textile centres in Khandesh. In Jalgaon there were 15 municipal schools on the 1st October 1939, which were attended by 5,446 pupils of whom 775 or 14·2 per cent. were children of cotton mill workers. Primary education in Chalisgaon is under the control of the District Local Board, East Khandesh. The total number of district board schools in Chalisgaon in October 1939 was seven and these were attended by 2,542 children of whom 350 or 13·5 per cent. were children of cotton textile workers. The Poona City Municipality introduced compulsory primary education in five wards of the city in December 1929. According to a census of children of school-going age taken in the areas of compulsion in 1938, 3,179 children were attending municipal schools. The Hubli Municipal Borough has submitted proposals to Government to start compulsory elementary education in one of the municipal wards, but the Municipality reports that this area does not form a part of the city inhabited by cotton textile workers nor does it lie in its vicinity. The Bharat Spinning and Weaving Mills, Hubli, run two unrecognized schools which are attended by 42 boys and 32 girls who are children of the employees in the mill, the rest of the children being scattered over among different local schools. The Gadag-Bettigeri Municipal Borough reported that there were 23 municipal and 14 approved schools under its School Board and that the total number of textile workers' children attending these 37 schools on 28th October 1939 was 1,464 which is approximately 35 per cent. of the total of 4,110 children of compulsory school-going age and 23 per cent. of the total of 6,164 children of all ages attending all schools in the area.

The employers in the cotton textile industry in this Province can do much to help the local authorities by keeping a record of the children of their workers and persuading the latter to send them to schools in areas where they exist. These efforts would meet with considerable success if the employers would also offer to pay the cost of all books, slates and pencils. Wherever possible, the employers should place suitable premises either in mill compounds or in mill chawls at the disposal of the educational authorities for the opening of schools. Employers can also assist by buying suitable literature for children and distributing it free of charge to such of their workers as desire to make use of them for their children. This would be helpful in preventing lapse from literacy. Continuation of literacy in Japan and in all western countries is ensured by the availability to children, both whilst in and after leaving school, of literature containing short stories and simple tales specially written for children.

ADULT EDUCATION.

In almost all countries, in order to secure universal education of the masses, educational effort does not cease with the completion of the compulsory school career, but is extended by the adult education

movement to periods of adolescence and adultness. Today, almost every country in the world has a network of institutions catering for the education of adults in all walks of life. In India, where only seven per cent. of her people are literate, the problems in connection with adult education are mainly centred round the removal of illiteracy as a first step. But, to concentrate entirely on the liquidation of illiteracy would be a great mistake. There are everywhere, and in industrial centres in India especially, substantial numbers of people who know how to read and write, but very little, if anything, has been done to give them further enlightenment in things that matter, as far as their lives and work are concerned. We are concerned primarily with the immediate aspects of the education of textile workers, both actual and potential, and it would, therefore, be pertinent for us to examine the aims and objects of workers' education, as distinguished from adult education as a whole. These have been summed up by Miss Hilda Worthington Smith in a note[1] from which we reproduce below two paragraphs:

> "Workers' education is designed to meet the educational needs of wage-earners, who have had little formal schooling. Its purpose is to stimulate an active and continued interest in the economic and social problems of the times, and to develop a sense of responsibility for their solution. Workers' education received its impetus from educational needs revealed by the labour movement, and assumes the right of workers to form their own organizations, to consider and take action on their own problems. Freedom of discussion and freedom of teaching are taken for granted in workers' education. Above all, workers' education leads straight from the classroom to the community, encouraging the student to analyse his own situation as a worker and as a member of that community, to follow the classroom term with further study of industrial and social problems and, on the basis of new facts discovered, to assume definite responsibilities leading to various forms of social action.....
>
> "'We want classes at a time we can come, which we can afford, and which we can understand', is the consensus as expressed by one industrial worker. Others state practical ideas of education: 'My union needs my help, and I am coming to class to learn something I can take back to help my organization'. 'I don't want anything up in the air. Something that will explain to me why I am out of work, and what's going to happen next.' 'I want to understand what is happening in the Government, and what workers ought to do to get their rights'."

Recently there has been a spurt in the movement for liquidating illiteracy in India. The Government of Bombay appointed an Adult Education Committee which submitted its report to Government in April 1938. Following the recommendations of the Adult Education

(1) Bulletin No. XVI—Second Series—published by The World Association for Adult Education, 1939, pages 3-5.

Committee, the Government of Bombay constituted a Provincial Board for Adult Education in September 1938 to take necessary steps for the promotion of adult education in the Province. The Provincial Board organized sub-committees to work in their respective areas, including one called the Bombay Adult Education Committee for the City of Bombay. At the instance of this Committee a literacy campaign was organized in the City of Bombay for a period of one month in May 1939. The Campaign Committee was able to open 596 classes in the City and Suburbs of Bombay of which 544 were for men and 52 for women. The total number of students in these classes was 12,564 of whom a considerable proportion were textile workers. The total expenditure on the campaign amounted to nearly Rs. 19,000, all of which, except for a grant of Rs. 2,000 from the Provincial Board, was received in the form of donations. Government took over the work of the adult classes started by the Literacy Campaign Committee from 1st June 1939. At that time there were 573 classes in existence. Some of these were amalgamated and the number was reduced to 360. A course of four months up to primary standard II for two hours a day and for six days in the week was laid down. At the end of August, 5,000 persons passed the test laid down for literacy and were awarded literacy certificates. The months of September and October were used for the organization of new classes for a further course of four months from November 1939 to February 1940.

The educational work done by extra-government agencies in the Province of Bombay has been described in a note contained in Appendix III attached to the Report of the Adult Education Committee. Pioneering work in this field is that done by, among others, the Social Service League and the Nagpada Neighbourhood House in Bombay and the Textile Labour Association in Ahmedabad. The work done by the last of these has already been noticed in an earlier paragraph. A provincial association for adult education known as the Bombay Presidency Adult Education Association was founded in Bombay in July 1934. Its activities are largely directed to the holding of extension classes for the further education of the educated. It has, however, also taken interest in the spreading of literacy. It has organized twelve literacy classes, four of which are situated in the Crown, the Morarji Goculdas, the Spring and the Textile Mills, one each in the Worli Development Department chawls and in the Matunga Labour Camp, and the rest in other parts of the city. The management of three of the four mills contribute amounts varying from Rs. 15 to Rs. 20 per month towards the maintenance of the schools in the mills, and all of them provide free premises. The total number of students in all the literacy classes conducted by the Association during the year 1938 was about 180 of whom 110 were made literates.

We may refer here to an interesting development that has a bearing on the question of the spread of literacy among industrial workers. In the Deccan Paper Mills at Mundhwa (Poona) illiterate workers are

allowed by the management to attend literacy classes held in the mill premises during working hours. The classes are in session daily from 7 a.m. to 8 p.m. The male workers receive instruction for a period of 45 minutes from 7 a.m. to 10 a.m., 2 p.m. to 5 p.m. and 7 p.m. to 8 p.m. in nine batches. The women workers receive instruction from 12 noon to 4-30 p.m. in six batches. The management supply premises, share in the direct expenses of the classes and assume the indirect cost resulting from the loss of labour.(1) The Adult Education Committee thought that it was not practicable to introduce the Mundhwa scheme in the larger industrial establishments, particularly those in which there are continuous processes and those in which the workers are engaged on piece work. But, at the same time, it thought that it was possible to extend the Mundhwa plan to those smaller establishments where a feeling of mutual goodwill pevails between the employers and employees, and those departments of larger establishments where the work is such that an individual worker can attend a class without affecting the working of the general machinery. The Committee, however, felt that the general introduction of the Mundhwa plan should not be made compulsory.

Efforts directed in the past for the holding of night classes for workers in employment have not always met with much success. The majority of the teachers in night classes are very poorly paid—for the purposes of the Bombay Literacy Campaign and the classes organized by the Bombay Adult Education Committee an honorarium of Rs. 10 is paid to each teacher—and they are ordinarily men who have already put in a whole day's effort in day schools. The pupils at these classes too, are themselves tired individuals who have put in nine hours' work requiring great physical effort all day in a factory. An undernourished body strained by physical effort is not likely to respond to mental effort in night classes. The experience of all institutions which have started night classes for adults in India has been that, after a preliminary period of enthusiasm, attendance has gone down considerably. Institutions doing work in this field suffer also from diversity in outlook. There is a lack of systematization and co-ordination, with the result that there are striking contrasts in methods and in aims.

The supervision and inspection of educational classes for adult workers conducted by the various agencies should be taken up by the Provincial Board of Adult Education, which should be the co-ordinating authority for the proper direction of these classes. The Board may have for this purpose a special committee on which it may co-opt representatives of employers and workers' organizations. It should be the function of the Board to frame suitable curricula and to undertake and encourage the publication of cheap and useful literature. The special committee may also co-ordinate other efforts for the promotion of adult education such as the preparation and display of lantern slides and the opening of libraries and reading rooms for workers.

(1) " Report of the Adult Education Committee ", 1938, page 19.

The liquidation of illiteracy must always remain an ideal to which our efforts must continuously be directed, but that by itself will not provide a solution of the many problems of life and work of our masses. Quite apart from the efforts made to open literacy classes for adults, we are, however, of opinion that everything possible should be done to attempt mass education in directions other than the acquisition of mere literacy. One of the possible ways of promoting adult education is by aural and visual means. Today the world is fortunate in possessing two great aids to mass education in the form of the taking screen and the radio, and advantage should be taken of these, in conjunction with others, for the spread of wider knowledge among industrial workers. It will be useful, in our opinion, for the special committee of the Provincial Board of Adult Education to interest itself in efforts in this direction. Under its directions programmes may be drawn up for the display of films of educational interest in industrial areas either in the compounds of chawls or in mill precincts. Similarly, when radio sets are installed in the dining sheds, recreational clubs or workers' tenements owned by the employers or by Government, arrangements may be made by the committee through All-India Radio for the reservation of suitable hours for broadcasting programmes likely to be of special interest to industrial workers.

Maintenance of Health.

In the previous section on "Education" we have laid emphasis on the value of education for the purposes of the maintenance of health. In the words of the Royal Commission on Labour in India, "the problems associated with health are always difficult; they are much more so in a country where both climate and the poverty and ignorance of the people contribute to recurring outbreaks of tropical and other epidemic diseases."[1] We support the Commission where they state that "expenditure on public health, besides yielding an immense return in human happiness, is bound to produce great economic advantages. There are few directions offering such great opportunities for profitable investment on the part of the State. The economic loss involved in the birth and rearing of great numbers of children who do not live to make any return to the community, in the sickness and disease which debilitate a large proportion of the workers and in early death, with the consequent reduction of the earning years, is incalculable. Even a small step in the prevention of these ills would have an appreciable effect in increasing the wealth of India; a courageous attack on them might produce a revolution in the standards of life and prosperity."[2]

In a speech which Dr. M. D. D. Gilder, ex-Minister of Health, Government of Bombay, delivered early in 1939 at the Nagpada Neighbourhood House, he stated that there were 429 institutions for affording medical

(1) "Report of the Royal Commission on Labour in India", 1931, page 244.

(2) *Ibid.* page 243.

relief in the Province of Bombay which meant that each hospital or dispensary served, on an average, 180 square miles of territory, or 41,940 soul in terms of population. During the course of our examination of representative workers in various textile centres in the Province, we were told that the existing medical facilities were inadequate, that even in the biggest hospitals difficulty was experienced by workers in obtaining admission as in-patients and that delays occurred in securing attention as out-patients. The total number of beds available in the State, public, municipal and local fund and private-aided hospitals and dispensaries in the Province during the year 1938 was 6,573 including 2,772 beds for women. We consider that the present provision of beds in public hospitals is inadequate and that attempts should be made to increase this provision.

Rule 8 of the Rules governing the Levy of Fees in Government and State-aided Hospitals provides that in the case of employees in mills, factories, etc., whose monthly income does not exceed Rs. 40 in Bombay and Rs. 30 in the mofussil and who are admitted as in-patients at the instance of their employers, a charge of annas 8 a day for each patient will be levied on the employers to cover the cost of medical advice, nursing and diet. This amount is to be collected in advance for a period of ten days at a time; "but this condition may be relaxed with the Surgeon General's permission in the case of well established firms who undertake to pay the hospital charges claimed by the Superintendents of hospitals in accordance with the rules."[1] A letter from an employer offering to pay the charges laid down in the rule quoted above will facilitate admission into a hospital for his workers and we think that employers can, at moderate cost, render in this manner necessary medical service to such of their workers as may require institutional treatment.

The Director and all Assistant Directors of Public Health in the Province of Bombay, the Certifying Surgeons for Bombay and Ahmedabad, the Bombay Medical Service Officers at Nadiad, Bhiwandi, Gadag, Hubli and five other places and the Subordinate Medical Service Officers of not less than seven years' service stationed at Viramgam, Broach, Surat, Sholapur, Poona, Dhulia, Chalisgaon, Jalgaon, Amalner, Gokak and at eighteen other places have been appointed additional ex-officio Inspectors of Factories. The powers of such inspectors are limited to entry into any factory within the limits of their jurisdiction with a view to the examination of the premises and of any prescribed notices, registers and muster rolls as may be necessary for the purposes of satisfying themselves that the sections of the Indian Factories Act, 1934, with regard to the following matters are being properly observed: cleanliness, ventilation, purity of water used for artificial humidification, overcrowding, lighting, water for drinking and washing, latrines and urinals, the adequacy and the proper custody of first-aid appliances and hazardous occupations. Any defects found and remedies suggested for enforcing compliance are to be reported by these additional Inspectors of Factories to the Chief Inspector of Factories who is the authority

(1) "Government Notification in the General Department, No. 9374, dated the 9th February 1937.

to pass final orders in each case. It seems, however, that, with the exception of the full-time Certifying Surgeons, these officers are not able to perform these duties regularly. We attach special importance to the regular inspection of factories by qualified medical officers and we, therefore, recommend the strengthening, if necessary, of the present medical staff in order that these duties may be carried out properly.

PROVISION OF MEDICAL FACILITIES BY EMPLOYERS.

Out of the fifty-eight mills in Bombay City which supplied information on this subject fifty-three provide dispensaries. Forty of these dispensaries are open during working hours while the rest are open for short periods either in the mornings or afternoons or both. Seven mills have full-time while 43 have part-time doctors. These seven mills, however, are mostly under agencies which have two or more mills and they employ full-time men to look after the dispensaries in all the mills under their agency. Three mills which have not engaged doctors have made arrangements with medical practitioners to call at the mills when necessary. Forty-six mills employ full-time and five part-time compounders. Eighteen mills engage assistants as dressers or dispensary boys. In 36 mills in Bombay the medical facilities given at the dispensaries are extended to cover the families of the workers as well. Medical attendance on the workers at their homes is permitted in only twenty mills and that, mostly, in case of emergencies. Complete information was not supplied with regard to the expenditure incurred by the mills on running their dispensaries. Where this information was furnished, the annual cost generally varied between two and three thousand rupees.

Out of 67 mills in Ahmedabad for which we were able to collect information, 34 mills had made no arrangements of any kind beyond satisfying the statutory requirement of maintaining first-aid appliances. Thirty-three mills reported that they had dispensaries, but a number of these dispensaries contained little more than a small cupboard with a few drugs like quinine, aspirin and magnesium sulphate and a few bottles of stock mixtures served out by a peon, a store-keeper or the head of a department. One mill sends its workers to a general charitable dispensary maintained by the agents, two to other charitable dispensaries, two to the civil hospital, while one mill has a contract with a medical practitioner who treats all cases sent to him by the mill for an annual payment of Rs. 250. Only one dispensary is in charge of a full-time doctor, 17 mills have full-time compounders and 3 mills have dressers. Thirty-one mills extend the benefits of the dispensaries to the families of the workers but only two mill doctors have instructions to attend to the workers at their homes. Only a few mill dispensaries in Ahmedabad keep open during working hours; most of them are open either between 8 and 10 in the mornings, or 12 and 2 in the afternoons, or for an hour after the mills are closed at 5-30 in the evenings. Some are open both in the mornings and in the evenings. The remuneration paid to the mill doctors varies generally from Rs. 40 to Rs. 75 per month though in a few cases it exceeds Rs. 100. The annual expenditure incurred by

mills in Ahmedabad on the provision of medical facilities varies considerably ; one mill spent only Rs. 75 while the expenditure of another amounted to Rs. 200, eight mills spent between Rs. 500 and Rs. 750, three about Rs. 1,000 and nine mills over Rs. 1,000. Among the last is the Ahmedabad Advance Mills of which Messrs. Tata Sons Ltd., are the agents and which reported an annual expenditure of about Rs. 10,000. Pioneering work in the field of medical relief of mill workers in the Province of Bombay is that done by the Ahmedabad Manufacturing and Calico Printing Mills and the Jubilee Mills. These two mills maintain hospitals for indoor and dispensaries for outdoor treatment. The Calico Mills Hospital has 40 beds in the general and 20 beds in the special maternity wards. The staff consists of a chief medical officer, two resident male doctors for day and night duty, one resident woman doctor and one matron and thirteen nurses. The cost of running the hospital amounts to over Rs. 30,000 a year and this is partly met from the fines' fund which amounted to over Rs. 15,000 during each of the years 1937 and 1938. We visited the hospital and dispensary at the Calico Mills and were impressed by the good work that was being done there. The hospital at the Jubilee Mills has 20 beds and it has a staff very similar to that in the Calico Mills except that it has no resident medical officer for special night duty. The annual cost of running the Jubilee Mills Hospital amounts to about Rs. 18,500 of which Rs. 5,557 and Rs. 7,495 were met from the fines' fund in 1937 and 1938 respectively.

All the mills in Sholapur maintain dispensaries which are open during working hours. The Narsinggirji Mill maintains 15 beds in the Raja Dhanrajgirji Hospital for the special benefit of its workers and for which it pays an annual grant of Rs. 1,000 to the hospital. In all the mills in Sholapur, it has been reported to us, the benefit of medical aid at the dispensaries extends to the families of the workers and the doctors attend at the residences of the workers in serious cases. Three mills which include two under the same agency employ full-time doctors. The doctors in all the mills were reported to have been given the assistance of an adequate number of full-time compounders and dressers.

All the mills in the region of Gujerat excluding Ahmedabad maintain dispensaries. In Khandesh, four out of five mills have them and the remaining mill sends its workers to the civil hospital. In both these regions, except for one mill which has a full-time doctor, the rest engage the services of part-time men. Seven mills have full-time and four part-time compounders. The dispensaries are generally open for three hours either in the morning or in the afternoon. Medical relief is extended to the workers' families and in most cases patients are also attended to at their homes. The annual expenditure incurred by each mill varied from Rs. 700 to Rs. 2,000. Five out of the eight mills in the Maharashtra and the Karnatak region (excluding Sholapur and Khandesh) maintain dispensaries. The three mills which provide no dispensaries send serious cases to civil or mission hospitals and have arrangements with local doctors to attend to other cases which are sent

to them whenever necessary. Only one mill—that at Gokak—has a full-time doctor and only one of the five mills has a part-time compounder, the remaining mills having part-time doctors and full-times compounders. In the mills which have dispensaries, treatment is given, it is stated, to the families of the workers and the more serious cases are attended to at the workers' homes.

During our tours we saw the dispensaries at all the mills which we visited. The standards adopted for the maintenance of these dispensaries varied widely. Those at the Calico Mills at Ahmedabad, at the Gokak Mills at Gokak and at the Jayashankar Mills at Barsi, to mention a few among the better type, appeared to be well equipped, both with medicines and staff. On the other hand, some of the dispensaries consisted of a small cupboard placed on a verandah with a few bottles of stock mixtures. The existing medical work done by the mills is directed entirely to the curative side and no attention is paid to the preventive side for the maintenance of the good health of the workers. In his evidence submitted to us, Dr. Dastur laid considerable emphasis on this aspect of the question. He said: "What it (the medical work done in the Bombay mills) attempts to do is only curative work under conditions which cannot possibly succeed. For such work to be effective, a close and effective touch is necessary between the doctor and the patient which under present conditions is not forthcoming in a mill dispensary." He added: "If medical work is to benefit all concerned, its first and foremost duty must be *to know the workman, to find out his weakness and his strength*. . . This means that periodic medical examinations are a necessity and not a luxury and in bad times the necessity is greater, not less. You overhaul your machines periodically and would consider it insane if any one suggested anything to the contrary. I submit it is equally insane not to overhaul your workman periodically. Such medical work has several sides to it—humanitarian, scientific and business . . . Looked at from any side, periodic medical examinations are necessary and the necessity is greatest from the owners' point of view."

Whilst dealing with the subject of health insurance in a subsequent section, we recommend that Government should introduce a scheme of sickness insurance for industrial workers in this Province and that a beginning should be made in the cotton textile industry in Bombay and Ahmedabad. Any scheme of sickness insurance, however, can cover only permanent workers who alone can be insured. If our recommendations on the subject of sickness insurance are accepted, a question that would arise would be as to what should be done with the existing dispensaries which have been established in those mills which have them. The question deserves careful consideration.

In the first place, no scheme of sickness insurance can cover the large proportion of temporary and *badli* workers and probationers and apprentices who are to be found in every mill. In the second place, sickness insurance schemes do not usually cover the families of the insured workers as well. In the third place, there is the preventive side: the maintenance of health from the point of view of a regular

medical examination of workers, particularly of those employed on processes in which there is danger of occupational disease; the maintenance of proper hygienic and sanitary conditions on the premises of a factory; and the taking of early measures against such minor ailments as colds, chills, cough and low temperatures which if neglected often lead to serious complications. There is thus a strong case not only for the maintenance of the existing mill dispensaries side by side with a scheme of compulsory sickness insurance but also for an improvement in the present standards and for the establishment of dispensaries in all those mills which have not got them at present.

In a special report which Dr. Dastur compiled on the subject of medical examination of workers, a copy of which was furnished to us, he states that there is a common belief not only amongst lay people and owners but amongst mill doctors themselves that such examinations cause bad blood and lead to serious trouble. Dr. Dastur says: "I emphatically deny this. They are bound to cause bad blood if they are undertaken, as they are generally, only and solely for the purpose of elimination and retrenchment." We lay considerable emphasis on Dr. Dastur's opinion that these examinations should be not for elimination but "so to say, for accommodation—to fit the workman and the machine to each other, to prevent misfits between them, to prevent the workman's weaknesses coming in the way of the highest production the machine can yield, to prevent the machine from damaging the workman in such a way as to reduce his working capacity." We agree with Dr. Dastur that when examinations have been conducted on such lines for some time, the elimination of undesirables will come in naturally and smoothly. We need hardly emphasize the value of a properly conducted periodical medical examination of the workers, especially of those engaged in processes prone to cause occupational diseases. We recommend that committees of mill doctors should be formed at all the important centres of the cotton textile industry in the Province. The duties of these committees would be to collect information on existing practices, to secure improvements wherever necessary and to exchange ideas.

ACTION TAKEN BY UNIONS.

We cannot conclude this section without noticing the work done by the Textile Labour Association at Ahmedabad in providing medical aid for its members. This Union maintains a hospital with 15 beds and has a dispensary attached to it which is attended, on an average, by 75 to 80 persons daily. The hospital is in charge of an honorary chief medical officer and a resident house physician. The Union has also engaged the services of a visiting doctor who goes round to working class localities, gives general medical advice and serves as a liaison officer with hospitals in different parts of the city in order to facilitate admission of workers as in-patients. A ward of six beds in the union's hospital is maintained for women, but maternity cases are sent to a special municipal maternity home which was established in the city in 1938 with 40 beds to serve the needs of industrial workers. Indoor treatment

in the Union hospital is free but is reserved only for the members of the Union. Medical aid at the dispensary is also free to members but a fee of one anna is charged to non-members. The total expenditure incurred by the Textile Labour Association, Ahmedabad, on medical aid amounts to over Rs. 12,000 a year. We visited the Union's hospital and dispensary and were much impressed by the work which the Association has been doing in this field.

Co-operative Societies.

A majority of the workers in the cotton textile industry—like other industrial workers—are in debt for the greater part of their lives. The inquiries conducted by the Labour Office into Working Class Family Budgets in Bombay, Ahmedabad and Sholapur, and the special investigations carried out for us in other centres all point to the magnitude of the evil of indebtedness. The following table gives an analysis of the incidence of indebtedness in various income groups in Bombay and Ahmedabad:

TABLE No. 73.

Incidence of Indebtedness in Bombay and Ahmedabad.

Income group.	Average monthly income of a working class family in		Average indebtedness per indebted family in	
	Bombay.	Ahmedabad.	Bombay.	Ahmedabad.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Below Rs. 20 ..	25 3 8	17 0 9	122 1 10	235 11 9
Rs. 20 and below Rs. 30 ..		25 5 4		246 15 0
Rs. 30 ,, ,, Rs. 40 ..	34 3 3	33 15 8	136 6 6	273 11 6
Rs. 40 ,, ,, Rs. 50 ..	43 4 3	43 5 9	153 1 1	279 10 3
Rs. 50 ,, ,, Rs. 60 ..	53 3 5	53 12 4	173 0 8	366 13 10
Rs. 60 ,, ,, Rs. 70 ..	63 1 8	63 0 5	216 6 6	399 8 2
Rs. 70 ,, ,, Rs. 80 ..	73 3 4	73 5 4	283 12 6	381 2 10
Rs. 80 ,, ,, Rs. 90 ..	82 15 8	83 4 0	281 4 10	555 8 3
Rs. 90 and over ..	114 9 4	118 8 6	295 5 0	693 9 6
All incomes ..	50 1 7	46 5 0	174 9 2	322 5 7

Income group.	Ratio of indebtedness to monthly income for indebted families in	
	Bombay.	Ahmedabad.
Below Rs. 20	4·84	13·83
Rs. 20 and below Rs. 30		9·75
Rs. 30 „ „ Rs. 40	3·99	8·06
Rs. 40 „ „ Rs. 50	3·54	6·45
Rs. 50 „ „ Rs. 60	3·25	6·82
Rs. 60 „ „ Rs. 70	3·43	6·34
Rs. 70 „ „ Rs. 80	3·88	5·20
Rs. 80 „ „ Rs. 90	3·39	6·67
Rs. 90 and over	2·58	5·85
All incomes ..	3·48	6·96

A similar comparative view is available from the following table which shows the ratio of indebtedness to monthly income for families in debt and for all families in the other centres of the Province:

TABLE No. 74.

Incidence of Indebtedness in Other Centres of the Cotton Textile Industry.

Centre.	Average ratio of indebtedness to monthly income for	
	Families in debt.	All families.
Sholapur	5·95	4·38
Jalgaon	7·04	5·91
Amalner	9·42	8·61
Chalisgaon	7·61	7·01
Dhulia	6·03	5·48
Viramgam	6·19	4·57
Nadiad	7·30	4·99
Broach	4·77	4·32
Surat	6·16	5·45
Barsi	3·95	3·16
Gadag	2·63	2·55
Hubli	6·10	5·06

We do not propose to go into the causes of indebtedness beyond observing that borrowing at usurious rates of interest must necessarily lead to a state of permanent indebtedness. Relief from this is possible only if action is taken simultaneously for the protection of the interests of the debtors and for the prevention of the growth of future indebtedness. Among the measures necessary for the protection of debtors the principal is legislation for the regulation of money-lending, and we hope that the Bill on the subject which has already been introduced in the Bombay Legislative Assembly will soon be placed on the statute-book. Among the measures recommended for checking the growth of indebtedness none is considered so important as the development of co-operation in all its aspects. The co-operative movement, although ordinarily identified in India with the extension of facilities for cheap credit, stands for the organization of persons of small means for the promotion of common economic interests on the basis of thrift and self-help. Co-operative societies are helpful in promoting economic organization on sound lines to the extent that they provide for the control of credit and for the education of the members in its right use. Experience in other industrial countries has valuable lessons for workers in India. Among the textile workers in England, one of the principal activities in which organized labour interested itself for the promotion of common economic aims was the co-operative movement. The pioneers of the co-operative movement in Europe were 28 poor but enthusiastic weavers working in a textile mill at Rochdale in Lancashire. The hundred years that have elapsed since this humble attempt was first made have witnessed the growth of a vast organization of consumers' co-operative societies all over England. Apart from the direct economic gains secured, it is through this organization that facilities have been provided for the working classes for education in co-operation, in general economics and in the methods and machinery of business.

CREDIT SOCIETIES IN BOMBAY.

It was not until the second decade of this century that an attempt was made in Bombay to introduce the co-operative movement among workers in cotton textile mills on the initiative of Sir Vithaldas D. Thackersey and Mr. G. K. Devadhar. These early attempts were restricted to the provision of facilities for cheap credit and for the collection of members' savings; but a majority of the co-operative societies that were then started collapsed during the prolonged strikes of the next decade, and in some cases even earlier. The co-operative societies that are now in existence are of more recent origin, and these too confine their activities to the encouragement of the practice of thrift and the provision of cheap credit. Rules made under the Payment of Wages Act permit deductions being made for payment to co-operative societies approved by the Provincial Government. This facilitates the recovery of instalments of shares and loans, and the Chief Inspector of Factories and the Millowners' Association, Bombay, have decided to take full advantage of this provision by organizing societies in as many

mills as possible. From the following table, it will be seen that in Bombay there are co-operative credit societies in 24 out of the 62 mills and that in the aggregate these command resources exceeding Rs. 8 lakhs:

TABLE No. 75.

Co-operative Credit Societies in Bombay Textile Mills.
30th June 1939.

Name of Society.	Membership.	Share Capital.
		Rs.
Alexandra & E. D. S.	1,438	49,021
Apollo	845	62,231
Bradbury	752	10,866
Century	690	22,056
Crown	440	10,515
Dawn	1,090	12,940
Edward (Spg.)	386	9,232
Edward (Wvg.)	618	14,432
E. D. S. Staff	616	1,03,300
E. D. S. Turkey Red Dye Works	279	11,530
Elphinstone (Carding)	245	13,407
,, (Engineering)	104	8,877
,, (Weaving)	222	28,094
,, (Women)	129	9,084
Hindustan	626	25,000
Indian Bleaching	117	1,663
Jacob (Carding)	276	16,999
,, (Engineering)	105	7,093
,, (Folding)	119	5,407
,, (Reeling)	331	13,018
,, (Spinning)	372	23,571
,, (Weaving)	620	31,296
Khatau	1,252	63,976
Manchester (Spinning) } ,, (Weaving) }	970	1,28,058
Morarji	2,700	40,000
Meyer Sassoon	930	26,769
Pralhad	735	8,273
Rachel	396	9,995
Tata	720	8,560
Victoria No. 1	238	4,610
Western India	494	22,000
Raymond Woollen	537	21,293
Kurla Swadeshi (Weaving)	462	9,115
,, ,, (Ring)	267	5,790
,, ,, (Folding)	151	2,657
,, ,, (Carding)	132	3,115
,, ,, (Mechanic)	129	3,280
,, ,, (Dyeing & Bleaching)	90	1,832
,, ,, (Reeling & Winding)	86	1,112
,, ,, (Clerks)	40	1,186
Shree Nivas	692	5,780
Total ..	21,441	8,57,033

Principal among the societies in Bombay and Kurla are those for the workers in the E. D. Sassoon group of mills and in the Svadeshi Mills at Kurla. In both these groups, as elsewhere also, the management of the mills act only as advisers and leave the internal administration to be conducted by elected representatives of the members of societies. They provide facilities for the work of the societies and generally supervise and watch over the working through the manager or head of the department who is almost invariably nominated as an ex-officio president. Labour Officers, wherever appointed, have special directions from the management to promote the formation of societies and to keep in touch with their working. Steps are occasionally taken, as in the E. D. Sassoon group of mills and at the Svadeshi Mills at Kurla, to secure a settlement of the outside debts of members of societies and to pay off the compounded debts. Owing to the interest evinced by the workers and the increase that has taken place in the resources, it is proposed at the Manchester Mill to extend the scope of co-operative effort to the management of tea shops and canteens and even a co-operative buildings scheme has been thought of. It is necessary that the co-operative societies that have been organized through the joint efforts of the workers, the employers and Government should be used for a much wider range of economic, social and cultural activities than have been contemplated hitherto. The societies should become agencies for providing various educational and recreational facilities, such as the starting of adult literacy classes, the opening of reading rooms and libraries and the encouragement of games and entertainments, financing these out of the combined surplus profits of the various sectional societies in a mill and making joint arrangements for the supervision of the work. The collection of small savings may be tried on more systematic lines than is the case today, and the societies should provide facilities for the remittance of funds to the homes of workers through the Post Office or local co-operative banks.

INTRODUCTION OF CONSUMERS' CO-OPERATION.

Another line of development will be for the societies to be associated with the running of departmental tea shops, restaurants, grain shops and cloth stores. It is generally recognised that the privately-owned tea shops and restaurants in the mill premises lead to the creation of vested interests, and while departmentally run institutions yield better results, the most suitable form of organization is to entrust the management to co-operative societies of workers. Co-operative credit societies cannot undertake non-credit activities except as agents, and it is hence desirable that along with the credit societies there should be organized consumers' societies. It is this type of organization that has met with remarkable success in England and elsewhere ; and while not minimizing the difficulties that will have to be overcome, we recommend that steps should be taken to promote the formation of consumers' co-operative societies in Bombay and other textile centres. Their main object will

be to enable the workers who become members to purchase food-grains, cloth and other household requisites of good quality, and either these societies or separate institutions should be encouraged to take over the management of tea shops, restaurants and canteens. Cheap grain shops are attached to some mills in Bombay and elsewhere, and since the enactment of the Payment of Wages Act the sales at these are on a cash basis. Credit for the supply of grain is commonly in vogue, but it will not be possible to control the source of credit in the interest of the workers and their families and at the same time to provide grain of good quality and at fair prices, unless the work is taken in hand by a co-operative agency. It is true that the task of organization is beset with numerous difficulties, but it is our view that a beginning should be made, if necessary, in a restricted area and within circumscribed limits. The Royal Commission on Labour in India held the view that it would " be of advantage, at least in the larger industrial areas, for employers and trade unions to organize co-operative shops at which pure and clean food of all kinds could be obtained."[1] This is also the view put forward before us by nutrition experts.

DEVELOPMENTS IN OTHER CENTRES.

The observations that we have made about the formation of co-operative credit societies and the extension of the co-operative form of organisation for purposes other than credit are also applicable to centres outside Bombay, although it may be mentioned that the progress achieved hitherto even in the limited field of co-operative credit has been uneven. The number of societies in existence outside Bombay on 30th June 1938 were as follows:

Region.	Number of mills with society.	Number of societies.
Ahmedabad	3	4
Sholapur	3	10
Khandesh	5	5
Gujerat (excluding Ahmedabad) ..	2	2
Maharashtra and Karnatak (excluding Sholapur and Khandesh).	3	3
	16	24

In addition to these credit societies, there are two co-operative housing societies in Ahmedabad for scheduled class workers not belonging to any particular mill or group of mills. The possibilities of providing housing on co-operative lines have been dealt with separately in our remarks on housing.

It will be seen from the foregoing figures that there are only four co-operative credit societies in Ahmedabad. From Tables Nos. 73 and 74 on pages 294 and 295 it will be observed that the average ratio of

(1) " Report of the Royal Commission on Labour in India ", page 251.

indebtedness to monthly income for indebted families for all income groups is twice as high in Ahmedabad as in Bombay and it is also higher than at most other centres. This indicates the urgency of the need for dealing with the problem of debt in Ahmedabad. The Textile Labour Association, Ahmedabad, had started a labour bank to meet this need, but the attempt was not successful. Till recently it was not uncommon for the management in a few mills to empower outsiders to carry on money-lending operations under their patronage; but this practice has been stopped as recoveries cannot be deducted from wages since the introduction of the Payment of Wages Act. The agents of several mills are now disposed to grant facilities for the starting of co-operative credit societies. The main hitch seems to be the disinclination of the Textile Labour Association to approve of the organization of societies, of which the managers or other officers are ex-officio office-bearers. The presence of the supervisory staff on the managing committees, it is urged, will curtail the power of societies to regulate their own affairs. This fear does not, however, seem to be justified by the experience of the working of societies in Bombay, where there is a general demand from labour for the extension of co-operative credit on the present basis.

GROUP INSURANCE.

There is one form of insurance to which we propose to make special reference in this section, for it represents an attempt to meet a common economic need by conjoint action. Group insurance is defined as "a form of insurance contract which grants protection to a group of individuals as distinct from the ordinary insurance contract with a coverage for one individual only."[1] All types of insurance contracts whereby a number of persons are covered against a given risk under one single policy come under the general heading of "group insurance". The group method may be adopted in connection with any kind of insurance, although in current parlance the term group insurance is generally understood to apply to the group life insurance plan for insuring a group of persons—usually a firm's employees—under one policy, on a modified form of term insurance basis, usually without medical examination. The purpose of group insurance is to provide insurance for moderate amounts to the working population through policies issued to employers of labour, insuring their employees at minimum cost. Ordinary life insurance is beyond the means of a majority of wage earners. Through a scheme of group insurance many grades of wage earners are enabled to obtain the benefit of protection of life insurance at least during the period of their employment. The reduction in the cost of group insurance is rendered possible by the elimination of much of the expense incurred ordinarily in canvassing and administering individual business. It is only in the United States of America and

(1) Encyclopædia of the Social Sciences, Volume VII, page 182.

Japan that group insurance has made considerable progress. It possesses advantages from the points of view of both the employers and the employees, reducing the costs of insurance for the latter and increasing the stability of the labour force for the former. Undoubtedly, such insurance cannot take the place of the other forms of social insurance dealt with by us in this chapter, but, pending the introduction of the forms of social insurance recommended by us, we believe an attempt may be made to introduce a scheme of group insurance in some of the larger and more prosperous mills in Bombay, Ahmedabad or Sholapur. If such a scheme is drawn up with the necessary safeguards, it will be proper, in our view, to authorize under the Payment of Wages Act deductions being made from wages for payments on an approved contributory basis.

Facilities for Rest and Refreshment.

The third of the General Wage Census Reports relating to perennial factories published by the Labour Office of the Government of Bombay in 1937 contains a description[1] of the provision made by cotton textile mills in 1934 for rest shelters, tiffin rooms and canteens for the benefit of their workpeople. The inquiries conducted by us into these matters show that there has been practically no advance in the position as described in that report. During our visits to the mills we found that in most cases the provision made for dining sheds and rest shelters was defective. With the exception of a few mills where the accommodation provided was spacious and clean and there were proper seating arrangements, the majority of the dining rooms were unfurnished and ill-kept, and many of the workers preferred to take their meals in shady spots in the mill compound. In an earlier chapter we have made a reference to the inadequacy of the existing dining room accommodation and we cannot too strongly emphasize the need for the provision of better and more spacious accommodation. We recommend that the Government of Bombay should make rules under section 33 (1) of the Factories Act, 1934, requiring all mills in the Province to make adequate provision for dining rooms and rest shelters on standards to be prescribed by the Chief Inspector of Factories. These rules should further provide that all mills employing fifty or more women workers should have separate retiring rooms for women.

SUPPLY OF DRINKING WATER.

During the course of our examination of representative workers, we received complaints regarding the inadequacy and the unsuitability of the drinking water provided in many mills. Section 19 of the Factories Act, 1934, prescribes that "in every factory a sufficient supply of water fit for drinking shall be provided for the workers at suitable places," and that such supply "shall comply with such standards as may be prescribed." Rules 30 to 32 of the Bombay Factories Rules, 1935, provide (1) drinking water shall, in all cases, be supplied to the workers free of cost; (2) that

(1) Pages 64–66.

wherever practicable, drinking water shall be supplied (*a*) from taps connected with any public water supply from which a sufficient supply of water can at all times be drawn as required, or (*b*) from a well or wells so situated as not to be polluted or contaminated with organic matter or impurities; and (3) that if it is not practicable in any factory to supply water in accordance with the methods described above, or if the public water supply is intermittent, then there shall be provided a storage of water, fit for drinking, supplying at least as many gallons per day as there are persons employed in the factory. As will be seen, the standards prescribed by the Government of Bombay make no provision for the supply of cooled water. In several mills the drinking water taps and the pipe lines which serve them are not covered and are exposed for several hours in the day to the rays of the sun; the water running from such pipe lines is warm and not suitable for drinking. The majority of the mills in Ahmedabad, all the mills in Sholapur and many mills in other centres provide separate water rooms where water for drinking purposes is kept in earthen jars. These water rooms are in charge of watermen. Most mills provide more than one such water room and in October 1939 ten mills had more than four each. In one or two mills in Ahmedabad the water served through covered taps is cooled by a mechanical process and the management of these mills reported that it did not cost the mills anything to do this. Among mills which we visited, we may make special mention of the arrangements made for the supply of cool drinking water in the Narsinggirji Mills at Sholapur. We recommend that the Government of Bombay should modify the Factories Rules in such a way as to make it compulsory for all factories, where more than one hundred workers are employed, to arrange for an adequate supply of cool drinking water according to standards to be prescribed by the Chief Inspector of Factories and for the supply of such water in or near all the departments of a factory.

TEA STALLS AND RESTAURANTS.

Almost every cotton textile mill in the Province has some arrangement where the workers can secure tea and light refreshments. The arrangements vary from the provision of a stall where only tea is sold to a canteen where hot meals are served at fixed prices. There is considerable confusion, however, about the terms used for describing these arrangements, and the terms "canteen", "boarding house", "refreshment room", "restaurant" and "tea stall" are often made use of without any specific indication as to the exact type of service offered. For example, many mills in Bombay and Ahmedabad reported that they had provided canteens, but from inquiries we have been able to make we find that only three cotton textile mills in Bombay—(1) the Manchester, (2) the Alexandra and E. D. Sassoon, and (3) the Crown—have proper restaurants where hot meals are supplied at fixed prices. In the first two mills the canteens are run by committees having on them representatives of the staff, jobbers and the workers, and the mill management pays the wages of the cooks. The price of each meal varies between

two annas three pies and two annas nine pies, and the meal consists of rice, *dal*, vegetables and *chapatis*. The average daily number of meals served during the year 1938 varied from 62 in December to 81 in June in the Alexandra and E. D. Sassoon Mills and from 38 in October to 57 in February in the Manchester Mill. Payment for the meals supplied is effected by means of coupons which are purchased by the workers. The canteen in the Crown Mill is run by the management and hot meals are served at a cost of two annas and three pies without and two annas and nine pies with *chapatis*. Recoveries are effected on pay days from the wages of the customers. The average daily number of persons who are served in this canteen is about 70. At our request, Dr. Aykroyd, visited the canteen at the Manchester Mill and he furnished a report to us on the subject which we append to our report in Appendix IX at page 508. We suggest that all mills should consider the advisability of starting proper canteens.

The Millowners' Association, Bombay, in collaboration with the Indian Tea Market Expansion Board, formulated a scheme in 1939 for establishing mill-managed tea stalls in all mills in Bombay for the supply of good and cheap tea. It was reckoned that if the proposed scheme was worked on the basis of joint purchase of tea, milk and sugar by all mills, a five ounce cup of tea could be sold at a price of one pice and that this would permit of a fair margin of profit. It is reported that a number of mills have started their own tea shops as a result of these proposals.

A large majority of mill restaurants and tea stalls are run by contractors to whom the mill managements charge rents—which in many cases are excessively high—for the use of the premises supplied. For example, the total monthly rent recovered by mills in Ahmedabad in respect of 74 restaurants and tea stalls amounted to Rs. 16,229 in September 1939, which gives an average monthly rent of Rs. 219 for each restaurant. In forty-four mills the rents varied between Rs. 100 and Rs. 300 per month ; in ten between Rs. 300 and Rs. 400 ; in five between Rs. 400 and Rs. 500, and in one mill each between Rs. 500 and Rs. 600 and Rs. 600 and Rs. 700, and over Rs. 700 respectively. The information given by twenty-four mills in Bombay regarding rents charged to restaurant contractors shows that rent of Rs. 100 or below per month was charged in ten mills, between Rs. 101 and Rs. 200 in nine mills, between Rs. 201 and Rs. 300 in three mills, and between Rs. 300 and Rs. 400 in two mills. The average monthly rents recovered by mills in centres and regions other than Bombay and Ahmedabad were as follows : Sholapur Rs. 23 per restaurant for nine restaurants ; Khandesh Rs. 15 per restaurant for six restaurants ; Maharashtra and Karnatak (excluding Khandesh and Sholapur) Rs. 59 per restaurant for six restaurants ; and Gujerat (excluding Ahmedabad) Rs. 64 per restaurant for eight restaurants. We are of opinion that mill restaurants, canteens and tea stalls should be run by co-operative societies of the employees or by the employers and they should be given over to contractors only as a last resort. Employers should not make any profits in respect of the supply of refreshments to their workers and we, therefore, recommend that in

all cases where such establishments are given over to contractors nominal rents should be charged by the mills concerned. We also recommend that the mill labour officers or, in their absence, the mill authorities, should periodically inspect the restaurants attached to the mills in order to see that the refreshments supplied thereat are of good quality and that they are sold at reasonable prices.

Recreation.

There is a movement in all the industrial countries of the world today for a reduction in the hours of work. The Factories Act, 1934, reduced the permissible weekly hours for process workers in perennial factories in India from sixty to fifty-four. One of the objects in reducing the length of the working day is to secure greater leisure to the workers. Adequate leisure properly spent makes for better efficiency whilst at work. We are, therefore, of opinion that no attempts should be spared—by Government, by local bodies, by the employers and by trade unions—to provide industrial workers with adequate facilities for a proper and helpful utilization of their leisure time.

Recreational facilities of various kinds are provided by twenty-two mills in the City of Bombay. Eleven mills have wrestling pits and gymnasia ; eighteen mills including three of the above have sports clubs for such team games as football, cricket and volley ball ; seventeen mills including some of the above have libraries and reading rooms, and in one case a central library has been established for the benefit of the workers in all the mills under the same management ; two mills have organized scouts clubs ; one mill has a *bhajan mandal* and a theatre ; and one mill has a stage suitably equipped for theatrical performances. One large group of mills organizes excursions to pleasure spots and to places of historical interest. Thirty-six mills in Bombay reported that they had made no provision for recreational facilities of any kind. Only one mill in Ahmedabad provides facilities for both indoor and outdoor games. All the mills in Sholapur provide gymnasia and wrestling pits for their workers. In two mills arrangements have also been made for outdoor games such as cricket, football and hockey. One mill has a library. No mill in the cotton textile centres of Gujerat excluding Ahmedabad has made any provision for the recreation of its workers. In Maharashtra and Karnatak excluding Sholapur three out of the five mills in Khandesh and four out of the six mills in the other cotton textile centres in this region reported varying arrangements for workers' recreation. One mill has a library and a football and volley ball club, one mill provides a playground and gives rent free quarters in the mill compound for a municipal library, four mills provide open spaces for cricket and football and three mills including two of the above have gymnasia.

The Government of Bombay created a Labour Welfare Department during the year 1938-39. They had made a provision of one lakh of rupees in the budget estimates for the year 1938-39 for " amenities to industrial labour " out of which a sum of approximately Rs. 48,000 was expended for the purchase of equipment, furniture, books, etc.,

for five recreation centres. A similar provision was made by Government in the budget estimates for the year 1939-40 and of this a sum of Rs. 59,000 was allocated for the erection of buildings and the balance for establishment charges and expenditure on contingencies. The first of the centres established under the scheme in Bombay was opened in April 1939. The centre provides facilities for both outdoor and indoor games, it has a large reading room and a library, a radio set, a canteen, and a theatre in which cinema and musical performances and lectures accompanied by epideiscope and magic lantern projections are given. It has also a homeopathic, nature cure and biochemic dispensary for health advice. A similar centre has been started in Ahmedabad. These two centres are classified as "A" type centres. In addition to these two existing "A" type centres, Government had, by the end of 1939, opened eight other recreation centres known as "C" type centres in Bombay in localities inhabited by the working classes. The activities of the "C" type centres are confined to indoor games and to the maintenance of a reading room and a library. The average daily attendances at the "A" and "C" type centres are approximately 2,000 and 500 persons respectively.

Among unions of cotton mill workers, only one—the Textile Labour Association, Ahmedabad—undertakes recreational activities. This Association conducts twenty-five reading rooms and libraries at an annual cost of Rs. 8,000 and seven physical culture centres at a cost of Rs. 2,500 per annum. The average daily attendance at each of these centres is 300. On holidays and on special occasions these centres organize sports' meetings and prizes are distributed from collections made by the workers from among themselves. In addition to the above, the Association has established several "clubs and development centres."

Attempts by employers to provide recreation facilities for their workers must be considered as a move in the right direction, and expenditure incurred on such facilities would result in securing a healthier body of workers. Wherever possible, mills should provide gardens and pleasant surroundings where the workers can relax during their spare hours.

Day Nurseries and Creches.

Sub-section (2) of section 33 of the Factories Act, 1934, empowers Provincial Governments to make rules "requiring that in any specified factory, wherein more than fifty women workers are ordinarily employed, a suitable room shall be reserved for the use of children under the age of six years belonging to such women, and prescribing the standards for such rooms and the nature of the supervision to be exercised over the children therein." In 1938 the Government of Bombay made rules under the Factories Act for the provision of rooms for children and these rules were applied to 157 factories including 150 cotton textile mills in the Province of Bombay. These rules, which apply to factories employing more than 100 women workers, provide, *inter alia*, for the construction, height, lighting and ventilation of such rooms, for the provision of proper sanitary utensils and a sufficient supply of hot and

cold water therein and for the employment of trained nurses and female servants for attending to the children occupying the rooms. A trained nurse is defined as one certified to have taken a six months' training course in any maternity home or child welfare centre approved as satisfactory for this purpose by the Chief Inspector of Factories. Out of sixty mills notified in Ahmedabad City, eleven reduced the number of their women employees to below one hundred; but all the cotton mills covered by the notifications which employ more than one hundred women workers are now reported as having established creches as required by the rules.

The rules framed by the Government of Bombay in connection with the establishment of creches contain no provisions with regard to the number of cradles or cots, the type of cradles to be installed, the supply of milk and clothing, etc. The standards maintained by the different mills, therefore, vary widely in this respect. We inspected the creches in the mills we visited. Some of the best are in charge of matrons assisted by a staff of trained nurses and ayahs and are inspected by the mill doctors. We were informed that the children were given a warm water bath in the morning, clothed in clean white clothes supplied by the mills and served with milk and biscuits. Infants in arms are breast-fed by their mothers who are allowed to visit the creche for the purpose once in every two to three hours. The rooms are provided with clean white enamelled railed cots or cradles and the whole appearance of the creche is clean and pleasant. In some creches provision is also made for a free supply of toys suitable for small children, and in one or two creches the older children have a nursery room all to themselves. At the other extreme we saw several creches housed in dirty tin sheds or in portions of hot and stuffy godowns where the cradles consisted of dirty gunny bag sacking or stout pieces of cloth the ends of which were tied to hooks suspended from wooden or iron bars. There was little or no supervision and no arrangements were made for the supply of milk or clothing.

In a special note, which the Chief Inspector of Factories had submitted to us on the subject, he states that the amount of State inspection needed to maintain a certain standard in the creches depends on the attitude of the mill management to the matter, on the extent of the medical supervision provided and on the type of the nurses engaged. In Ahmedabad the training of creche nurses is supervised and controlled by a committee composed of representatives of the local Millowners' Association, the Textile Labour Association and officials connected with the Department of Factories. A scheme has been formulated under which creche nurses are given a course of theoretical and practical training for a period of six months. They are certified as fit to take charge only after passing certain prescribed tests. In Bombay similar work is done by the Bombay Presidency Baby and Health Week Association. The number of mill creches that are under medical supervision is relatively small but the Certifying Surgeon in Ahmedabad and the Lady Inspector of Factories inspect creches from time to time. We recommend that in mills which have mill doctors they should be entrusted with the duty of supervising the working of the creches. We also recommend that standards should be laid down for the number and size of cradles for infants in arms

and cots for young children. We further recommend that the existing rules should be so amended and amplified as to make it compulsory that free milk and clean clothing is supplied by the mill management in all creches, on standards to be prescribed by the Chief Inspector of Factories.

Provision of Sanitary Accomodation.

Section 20 of the Factories Act, 1934, provides that " for every factory sufficient latrines and urinals, according to the prescribed standards, shall be provided, for male workers and for female workers separately, of suitable patterns and at convenient places as prescribed, and shall be kept in a clean and sanitary condition during all working hours." Rules numbers 34 to 36 of the Bombay Factories Rules, 1935, contain the regulations which have been prescribed in the matter. We inspected the latrines and the urinals provided in a number of mills. In several mills the conditions were bad and the accommodation seemed insufficient. We consider that the minima laid down by the factory regulations are not sufficient and we recommend that Government should take immediate steps to make a more adequate provision in the matter. We also recommend that steps should be taken for a more frequent examination by inspectors of the sanitary arrangements in and around the latrines and urinals of all cotton textile mills in the Province.

Payment of Maternity Benefits.

During the course of our examination of representative workers in the various centres of the cotton textile industry in this Province, women operatives in certain centres complained that they did not receive maternity benefits when there was a break in the qualifying period as a result of strikes or absences from work for other reasons. The proviso to section 5 (1) of the Bombay Maternity Benefit Act, 1929, lays down that " a woman shall not be entitled to maternity benefit unless she has been employed in the factory of the employer from whom she claims maternity benefit for a period of not less than nine months immediately preceding the date on which she gives notice " claiming the benefit. According to section 3 (*b*) of the Act, the term " employed " has the same meaning as in the Indian Factories Act, 1911, and both according to that Act and section 2 (*h*) of the Factories Act, 1934, a person who " works " in a factory is deemed to be " employed " therein.

It has been reported to us by the Chief Inspector of Factories that the manager of a mill in Sholapur recently took the view that absence from work without leave constituted a break in service, and that unless a woman claiming benefit was able to show nine months' uninterrupted service she was not entitled to it. He accordingly stopped paying benefits to all women who were absent without leave. An exception was, however, made in the case of those women who had applied for and had been granted leave. The matter was made the subject of a question in the Bombay Legislative Assembly and, on personal representations made to him by the Factory Department, the manager agreed to pay all the claims but without giving way on the interpretation that he had placed on the provisions of the Act.

The wording of the Madras Maternity Benefit Act with regard to the qualifying period is similar to that of the Bombay Act, and the same difficulty has arisen in the Province of Madras. Contrary to experience in Bombay, the provisions of the Act are stated to have been widely evaded in that Province. A ruling was given by the Madras Factory Department to the effect that a woman who was absent for more than fourteen days in the qualifying period did not lose her right to benefit. This, however, was not found to be effective and a counter-proposal that a woman should attend for 240 days in the twelve months prior to her notice, to qualify for the benefit was put forward. One cotton mill in Ahmedabad had a rule that women who were absent without leave for fourteen days would be deemed to have been discharged. This mill also raised the question whether women who had been dismissed and re-engaged were entitled to count the time they were off work, and also whether the qualifying time before dismissal could be added to the subsequent period to make "nine months". Legal opinion was that if a woman was validly dismissed and re-engaged, the qualifying period started from her re-engagement. It was also held that, in case a factory ceased operations and restarted, the qualifying period would begin at the restart. An interruption of work due to a strike would be interpreted similarly. The Chief Inspector of Factories has informed us that so far no prosecutions have been launched in connection with the question of non-payment of maternity benefits, that every endeavour is made to secure compliance with the spirit of the Act and that the Act has in most cases been interpreted by the employers in the cotton textile industry in the Province as a whole in a liberal manner. However, the proviso to section 5 (1) of the Bombay Maternity Benefit Act as it stands at present is liable to be interpreted as entitling an employer to refuse payment of maternity benefit to a claimant who has not put in nine months' continuous service up to the day when she gives notice of her claim. We consider this to be an unsatisfactory position and we recommend that the Act should be so amended as to condone breaks in continuity of service due to strikes, playing-off or casual absence.

Appointment of Women Labour Officers.

The Royal Commission on Labour in India recommended that where women were engaged in substantial numbers, there should invariably be employed at least one educated woman in charge of their welfare and supervision throughout the factory and that this person should be responsible to the Labour Officer, where there was one, and to the Manager, where there was not, for the engagement and dismissal of all the female staff, whether permanent or temporary. So far, no cotton textile mill in the Province of Bombay has appointed a woman labour officer. We support the Royal Commission's recommendation in this matter.

Expenditure from Fines' Funds.

According to the provisions of sub-section (8) of section 8 of the Payment of Wages Act, 1936, all realizations accruing from fines inflicted

on workmen in concerns to which the Act has been made applicable are to be utilized only for such purposes beneficial to the persons employed in the factory or establishment concerned as are approved by the prescribed authority. Where the persons employed in any factory or industrial establishment are part only of a staff employed under the same management, realizations from fines are permitted to be credited to a common fund maintained for the staff as a whole provided, however, that the fund shall be applied only to such purposes as are approved by the prescribed authority. Under rule 9 of the Bombay Payment of Wages Rules, 1939, except for persons employed by the Municipal Corporation for the City of Bombay, the Chief Inspector of Factories is the authority competent to approve the purposes on which the proceeds of fines shall be expended. The following have been approved by the Chief Inspector of Factories as the purposes for which fines' funds in cotton textile mills may be utilized :

(1) Medical aid—subject to cancellation by the Chief Inspector if the standard is not adequate. (The provision of first-aid boxes is not to be deemed to be a charge on the fines' fund.)

(2) Educational facilities for workers.

(3) Aid to establishment of or more successful working of co-operative societies for the benefit of employees and their dependants.

(4) Sickness benefit schemes and sickness insurance schemes approved by Government.

(5) Welfare activities for employees and their dependants including canteens, restaurants and indoor and outdoor sports and recreation of all kinds. (Canteens and restaurants are to be run by the factory on a non-profit basis and the Chief Inspector has power to cancel the allocation of the fines' fund to this purpose if the standard is not satisfactory.)

(6) Assistance to persons who are slightly injured provided that such assistance is granted to persons not entitled to compensation under the Workmen's Compensation Act.

(7) Donations in special cases (after sanction by the Chief Inspector of Factories) to schools attended by workers' children.

(8) Excursions of workmen and their families and children.

According to the statistics collected annually by the Factory Department, the total amount recovered in fines from the workers in those cotton textile mills in the Province of Bombay which had recovered more than Rs. 10 in fines during 1937 amounted to Rs. 1,55,462 of which a sum of Rs. 36,627 was expended on medical aid and Rs. 938 on other objects. The unspent balance at the credit of the fines' funds for 1937 was Rs. 1,17,897. The total amount recovered in fines during 1938 was Rs. 2,40,834 of which Rs. 1,01,817 was spent on medical aid and Rs. 9,501 on other objects, the unspent balance amounting to Rs. 1,29,516. From the statistics supplied to us by the Factory Department we find that two mills in Ahmedabad recovered as much as Rs. 23,294 in fines from their operatives during 1938 and that the whole of this amount was expended by them for the upkeep of the medical facilities provided.

We recommend that the expenditure incurred by cotton textile mills in connection with the provision of medical facilities for their operatives should not be met from fines' funds.

An examination of the statistics of fines inflicted during these two years shows that the incidence of fining varies widely from mill to mill. The following table sets out the amounts of fines collected in two groups of ten mills each in Bombay and Ahmedabad where the extent of fining was the highest and the lowest for 1938 from among mills which recovered during that year fines exceeding Rs. 10:

TABLE No. 76.

Groups of ten mills each inflicting Highest and Lowest Fines for the year 1938 exclusive of mills which recovered fines of Rs. 10 and under.

Group.	Bombay.		Ahmedabad.	
	Total number of employees.	Amount of fines recovered.	Total number of employees.	Amount of fines recovered.
		Rs.		Rs.
Ten mills inflicting highest fines ..	25,072	57,754	15,682	58,331
Ten mills inflicting lowest fines ..	13,853	688	10,094	1,452

We find that in many mills the fines collected did not amount to more than Rs. 10 during the year. The annual factory reports published by the Home Office in England show that fining as a means of maintaining discipline has been practically abandoned in British industrial concerns. We see no reason why fining as a method of enforcing discipline should not be abolished in this Province also. We recommend that the Government inspectors, who are entrusted with the work of examining the fines' registers in the concerns to which the Act has been applied, should do all they can to persuade the managers of such concerns to reduce fining to a minimum.

Bonuses.

The term " bonus " is applied to a cash payment made in addition to wages. It generally represents the cash incentive given conditionally on certain standards of attendance and efficiency being attained. The Labour Office of the Government of Bombay has, from time to time, collected detailed data on the payment of bonuses in cotton textile mills in the Province of Bombay and full information on the subject is contained in a number of reports published by that office[1].

(1)In this connection reference may be made to pages 22, 32, 38 and 89 of the Report on an Enquiry into Deductions from Wages and Payments in respect of Fines; pages 61-66 of the Report on an Enquiry into Wages and Hours of Labour in the Cotton Mill Industry, 1926; pages 165-68 of the Memorandum submitted to the Royal Commission on Labour in India by the Government of Bombay; and pages 31-34 of the third of the General Wage Census Reports relating to Wages, Hours of Work and Conditions of Employment in the Textile Industries in the Bombay Presidency.

It is not necessary for the purposes of our Report to trace the extent to which these bonuses were paid in cotton textile mills in this Province from time to time. The position today is that a bonus of four annas per loom per *hapta* is paid to weavers in all cotton mills in Ahmedabad on certain standards of efficiency being attained. Similar bonuses for good work are paid to other piece-work operatives in a few mills in Bombay, Sholapur and other centres. The system of paying good attendance bonuses is widely prevalent in the spinning departments of most mills in Ahmedabad, all mills in Sholapur and in a few mills in Bombay and other centres. There is little uniformity as between mill and mill in any particular centre of the industry with regard to the occupations in which such bonuses are paid or the amounts of these bonuses or the conditions which must be satisfied before they can be earned. For example, reelers and doffers in most mills in Sholapur are paid a daily good attendance bonus in addition to a fortnightly bonus which is earned only if attendance for all the days in the fortnight is put in. Ring siders in one mill in Sholapur get a rupee per month for full attendance and eight annas per month provided they are not absent for more than four days in the month. In another mill this amount is a rupee per fortnight with an additional 30 per cent. on it. The Royal Commission on Labour in India pointed out that efficiency or production bonuses were in operation in several industrial establishments in India and were a direct incentive to increased effort. It held that there was scope for considerable extension of these methods of payment in industry.(1) In another section of its report, however, the Commission stated that if fines were abolished, the bonus system might easily be developed into something almost indistinguishable from a system of fines.(2)

Both the report and the evidence given before the Departmental Committee set up in Great Britain in 1906 to inquire into the operation of the Truck Acts contain a great deal of useful information on the subject of good attendance and efficiency bonuses. Sir Henry Cunynghame, K.C.B., Legal Assistant Under-Secretary of State at the British Home Office, in giving evidence before this Departmental Committee on the nature of bonus stated: "There is no doubt in commonsense everybody sees it must be a fine surely, because you may call a thing a fine if you like, but you cannot ride a coach and six through the whole of the Act of 1896 simply by calling things bonuses."(3) Much of the evidence led before the Departmental Committee was to the effect that bonuses were a device resorted to by employers for evading the limitations imposed by the Truck Acts on the extent to which fines might be inflicted because the withholding of something which was offered in addition to the normal cash wage as an incentive to more regular attendance or better work could not be regarded in law as a deduction within the meaning of the Acts. The annual report of the

(1) "Report of the Royal Commission on Labour in India", 1931, page 210.

(2) Ibid, page 218.

(3) "Minutes of Evidence taken before the Departmental Committee on the Truck Acts", Volume II, page 8.

Chief Inspector of Factories in Great Britain for the year 1908 points out that an Inspector of Factories found the most elaborate system of bonuses drawn up in thirteen different notices which were affixed all over a laundry situated in London. This was managed by an American who admitted that he had spent much time in devising these methods which would keep him " clear of the Truck Acts ".[1]

In its written memorandum the Millowners' Association, Bombay, stated that it was not opposed to the payment of certain classes of bonus in addition to the basic wage, but it felt that it was precluded from going into details since a case regarding the payment of bonus as distinct from wages was under appeal in Ahmedabad. The Ahmedabad Millowners' Association stated that it was not in favour of merging all bonuses into the wage itself as they were dependent on conditions and circumstances the fulfilment of which alone entitled a worker to obtain them. In its opinion, bonuses were a reward and an incentive for better work and their consolidation with the wages would defeat the purpose for which they were intended. The Textile Labour Association, Ahmedabad, urged that whatever might have been the ground, historical or otherwise, for the payment of various bonuses, there was no reason today why all these monetary additions should not be consolidated into fixed wages and rates. The experience of the Association was that the system of keeping bonuses separate from wages had been a fruitful cause of permanent friction between the employers and the employees and had been responsible for quite a number of trade disputes resulting in avoidable losses to the workmen and the industry. The Association stated that wherever such bonuses existed there was a tendency to resort to manipulations in order to deprive the workers of their legitimate dues. As pointed out above, good attendance bonuses differ from unit to unit and even from department to department in the same unit. We have not been able to obtain any evidence that the existence of the bonus has the effect of reducing absenteeism in departments or units where it is paid. On the other hand, this bonus as well as the efficiency bonus acts as a fine on workers who fail to attain the expected standard of performance in respect of attendance or production.

Section 2 (vi) of the Payment of Wages Act, 1936, defines wages as " all remuneration capable of being expressed in terms of money, which would, if the terms of the contract of employment, express or implied, were fulfilled, be payable, whether conditionally upon the regular attendance, good work or conduct or other behaviour of the person employed, or otherwise, to a person employed in respect of his employment or of work done in such employment, and includes any bonus or other additional remuneration of the nature aforesaid which would be so payable and any sum payable to such person by reason of the termination of his employment . . . ". Since the passing of this Act, a doubt has been felt whether good attendance and efficiency bonuses are a

(1) Page 160.

part of wages. The First Class Magistrate of Ahmedabad in a recent case held that bonuses were wages for the purposes of the Payment of Wages Act, that once bonuses became wages all conditions which made the non-payment thereof possible otherwise than in accordance with section 7 of the Act were inappropriate and that the only deduction which an employer would be permitted to make was a *pro rata* deduction in accordance with the provisions of section 9 of the Act. On appeal the Assistant Judge, Ahmedabad, confirmed that decision, holding that the view taken by the Magistrate was correct. A revisional application in the matter was filed in the Bombay High Court and it has reversed the decision of the Assistant Judge at Ahmedabad. As we are, however, of opinion that good attendance and efficiency bonuses should be regarded as part of wages we recommend that the Government of Bombay should move the Central Government to amend the Payment of Wages Act in such a way as to make it clear that good attendance and efficiency bonuses are to be regarded a part of wages. We are not against the grant of bonuses on special occasions such as, for example, the grant of a week's or a fortnight's pay to all the employees of a concern on a festive occasion, or against the grant of a periodical bonus dependent on profits to which no conditions for the earning thereof are attached.

We have already dealt with the Sholapur grain allowance both in our Interim Report and in the chapter on Automatic Adjustment of Wages in this Report. The earning of this allowance is dependent on a worker not being absent for more than four days in a month. We recommend that this condition should be done away with and that so long as the allowance continues workers should be entitled to purchase a certain quantity of grain for a fixed amount deducted from their wages. In order, however, to overcome the difficulty of any particular worker demanding the full quantity of the grain permissible to him irrespective of the number of days' attendance which he has put in in any particular month, we recommend that the quantity of grain sold to him should be in proportion to the number of days put in by him in that month.

Working Conditions in Cotton Textile Mill.

HUMIDIFICATION.

The manufacture of cotton cloth requires a high percentage of moisture in the air for good weaving. Sizing tends to make warp strands brittle and unless there is sufficient moisture in the air these threads are liable to frequent breakages with consequential loss in loom efficiency. Many cloth manufacturers maintain that natural humidity, even in Bombay where there is comparatively a much higher percentage of moisture in the air than in other centres, is not sufficient for the successful weaving of certain classes of cloth. The practice has consequently been

established in the industry of increasing the humidity of the air in the weaving sheds by the introduction of atomized water or of steam, or by some other process. This is called "artificial humidification", or, in short, "humidification". The extent to which humidification is necessary varies according to seasons and climatic conditions. Little or no artificial humidification may be required during the monsoon months in centres like Bombay, whereas in the same months in mills in certain of the drier centres, humidification equivalent to the extent effected in Bombay in the winter months may be necessary.

It is generally accepted that production in weaving is favoured by a high temperature and a high relative humidity. Mr. S. Wyatt, as a result of evidence collected by him during the course of his inquiries into the subject on behalf of the Industrial Fatigue Research Board in England, maintains that, if the human factor is eliminated, productive weaving efficiency tends to vary directly as the product of the numerical values of temperature and humidity. But, when high temperatures are reached, the unfavourable effects of the atmospheric conditions on the weaver are reflected in the loss of his efficiency. It is reckoned that in England after a dry-bulb temperature of 75°F. is exceeded the onset of fatigue becomes pronounced. Mr. Wyatt reaches the conclusion that work under too high a temperature is uneconomic and results in diminished production notwithstanding its favourable physical effect on the yarn. Many attempts have been made in England and America to find a suitable substitute for sizing or, in the alternative, to confine the area of humidification to that portion of a loom where the warp is in the process of being woven without affecting the attendant weaver. The attempts so far made have not been successful but active researches into these matters continue to be made.

Ever since artificial humidification was first introduced into the weaving shed, British trade unions of cotton mill operatives have been insistent in their demand for the complete abolition of this device on the ground of its injurious effects on the health of the workers. Their protests have led to several Parliamentary inquiries which have resulted in statutory regulation. The first comprehensive piece of legislation on the subject in England was the Cotton Cloth Factories Act of 1911 which prescribed the limits within which artificial humidification should be permitted. In 1924 a Departmental Committee was appointed to consider and report whether any modifications in the existing regulations appeared to be desirable and practicable and, at the instance of this Committee, various inquiries into the several aspects of the subject were conducted by the Industrial Fatigue Research Board of the Medical Research Council. These investigations have been considerably facilitated by the use of an instrument known as the kata thermometer invented by Dr. Leonard Hill about the year 1917, and described by him as "designed primarily for the measurement of its own rate of cooling when its temperature approximates to that of the human body". The human body is a mechanism which is constantly producing and losing heat and under normal conditions of existence is maintained at a fairly uniform temperature of 98°F. which means that the rate of heat production is

balanced by the rate of heat loss. Unless the air in contact with the body is constantly renewed, it tends to become heated to body temperature and saturated with water vapour from the body at that temperature. In such conditions the rate of evaporation is greatly retarded and the consequent cooling effect is considerably reduced. Movement of the air in the vicinity of the body facilitates evaporation, and by so doing increases the flow of heat from the body. Air movement thus has a double effect; it not only promotes the loss of heat when the body is comparatively dry, but it also increases the cooling effect due to evaporation when the body is moist.

During the year 1921-22, Mr. Maloney carried out, at the instance of the Government of India, an intensive investigation into humidification in cotton textile mills in India during the years 1921-22 and his report to Government on the subject was published in 1923. Mr. Maloney found that the temperatures in the weaving sheds of many mills were excessive and caused great discomfort to the operatives and that appreciable reductions could be effected in these temperatures by comparatively inexpensive means such as the white-washing of roofs, the spraying of roofs with water, the provision of electric fans or by the attaching of small devices to the shafts. Prior to 1935, the only provisions contained in the Indian Factories Act with regard to ventilation and artificial humidification were those embodied in section 37 describing the rule-making powers of Local Governments, clause (*g*) of sub-section (2) of which laid down that Local Governments might make rules regarding "the standards of ventilation and artificial humidification and the methods to be adopted in order to secure their observance". The Royal Commission on Labour in India, at page 59 of its report, observed that some of the cotton mills which it visited were, in the hot weather, much pleasanter than the outside atmosphere and that those employers who had spent large sums in installing the best cooling and humidifying plants had secured gratifying results in production. The Commission, however, added that side by side with the advanced mills there were others where the atmosphere in the weaving sheds was almost unendurable even in the cold weather, and that it was pointed out to it in Bombay that the provisions of the Factories Act were not sufficiently elastic to permit of the framing of all the rules that were desirable. The Royal Commission made a series of important recommendations on the subject including one to the effect that rigorous action should be taken against those factories where conditions in regard to humidification were very bad.

Many of the recommendations of the Royal Commission on Labour in India on the subject of working conditions in factories were accepted by the Government of India and were incorporated in the Factories Act, 1934, sections 14, 15 and 16 of which contain provisions regarding the maintenance of satisfactory standards of ventilation, artificial humidification and cooling. The rule-making powers of Provincial Governments have been widened and authority has been given to Inspectors of

Factories to call upon managers of factories to carry out such improvements as appear to be necessary where these improvements can be effected without much extra cost. The rules made by the Government of Bombay on artificial humidification provide that, under certain specified conditions, no artificial humidification shall be permitted in any room of a cotton spinning or weaving factory by the use of steam during any period of the day when the dry-bulb temperature of that room exceeds 85 degrees. No rules have, however, been made about cooling largely because of the expense likely to be involved in asking factories to install special cooling plants. The Department of Factories has so far had to content itself with persuading mill agents and managers to improve conditions wherever possible and to obtain the humidity required by air conditioning. As a result of these efforts a marked improvement in this respect has been effected in many cotton textile mills in the Province in the last fifteen years.

AIR CONDITIONING.

The Empress Mills, Nagpur, about the year 1891, installed gutters with holed pipes to eject water and fans to draw or blow the air through the jets and holes in the wooden flooring in order to pass the cool and humidified air into the departments. By 1913, a few mills in Ahmedabad, two mills in Sholapur and the Morarji Goculdas Mill in Bombay had also installed gutters, fans and sprays. The modern air conditioning plant either as a large unit with a spray chamber or a series of fans with separate chambers is an improvement on the above and a few plants with overhead ducts were installed in some mills in Bombay by 1920. Modern air conditioning in mills in the Province of Bombay commenced with the installation, by the late Mr. Narottam Morarji Goculdas, of a Carrier plant in the Sholapur Spinning and Weaving Mill about the year 1924. This was followed by the installation of similar plants in the Narsinggirji Mill at Sholapur and the Ambica Mill at Ahmedabad. The plant at the Ambica Mill was utilized for demonstration purposes and within a year or two about a dozen mills in Ahmedabad installed modern air conditioning plants and also improved the ventilating and humidifying arrangements that had already been installed. In some of the new mills the ducts were built in during construction. The Chief Inspector of Factories has reported to us that nearly every mill in Ahmedabad has now effected material improvements in these directions at a total cost of over forty lakhs of rupees. According to him, the highest inside temperature recorded on the hottest day of the year in one of the best sheds in Ahmedabad was 88° with an external temperature of 112° in the shade. He has also reported to us that it has not been possible to secure the same advance in the installation of air conditioning plants in mills in Bombay. Since 1925 Bombay has lagged behind Ahmedabad in effecting improvements in working conditions. Apart from improvements in a few small plants that had already been installed and the installation of modern plants in the Manchester and the Toyo Podar Mills, little headway was made. The position remained much about the same until the year 1934 when the

general manager of a group of mills who was familiar with conditions in Ahmedabad was persuaded by the Chief Inspector of Factories to drive a few gutters through one of his sheds and to provide fans and spray chambers. This mill was used for demonstration purposes and a couple of other mill managers with similar experience also agreed to do the same. Since then, over a dozen mills in Bombay have installed modern air conditioning plants. The progress in this respect in mills in other regions was until recently also slow. In the last few yars, however, the mills in Chalisgaon, Jalgaon, Dhulia and Barsi have installed such plants.

During our visits to mills in the different cotton textile centres of this Province, we were considerably impressed by the efforts made in a number of them to secure comfortable atmospheric conditions for the operatives, but in others the conditions in some departments, especially in the preparatory and the weaving processes, were intolerable. Under such conditions efficiency in working is bound to suffer, quite apart from the deleterious effects which they may produce on the health of the workers. We, accordingly, recommend that all cotton textile mills in this Province should be required to maintain adequate air conditioning plants, on specifications and standards to be prescribed by Government, in the blow, card, frame, ring spinning and weaving departments.

PROTECTION AGAINST INHALATION OF COTTON DUST.

A considerable amount of cotton dust is liberated into the air in the processes preparatory to spinning, especially in the mixing and carding departments. The stripping of cards in most mills is done by hand and this raises an amount of dust. There are several methods of removing the dust at the source, but the only process in use in cotton mills in this Province is the vacuum stripping method. Only thirteen mills in Ahmedabad and a few mills in Bombay and elsewhere have so far installed vacuum stripping plants. The Royal Commission on Labour in India recommended that Inspectors of Factories should use their powers more freely in connection with dust removal. This view was accepted by the Government of India, and a new provision was incorporated in section 14 of the Factories Act, 1934, empowering Provincial Governments to "make rules for any class of factories requiring mechanical or other devices to be provided and maintained for preventing the generation or inhalation of gas, dust or other impurities, which may be injurious to workers and specifying the nature of such devices". The Government of Bombay have so far not framed any rules in the matter owing to the difficulty, we are informed, of securing definite proof on the question of injury to health.

During our visits to the carding departments of various mills, we noticed that the atmosphere was laden with cotton dust in those mills which had not installed vacuum stripping plants and that breathing was

easier in those mills which had done so. We are informed that vacuum stripping, with the recent improvements that have been made in the plant, is not only of hygienic value but that its installation also helps to prevent accidents. The use of artificial respirators has not been found to be of much value in the carding department and the workers have not, moreover, taken to them kindly in the few mills in which they have been tried. A dust laden atmosphere, apart from its deleterious effects on the health of the operatives, causes considerable discomfort. We, therefore, recommend that the Government of Bombay should amend the Factories Act, 1934, in such a way as to enable them, irrespective of the question of proof of injury to health, to frame rules with regard to the installation in all cotton textile mills of the necessary plant for the mechanical removal of dust liberated during the stripping process in the carding room. Conditions in the mixing rooms where the mixing is done by hand are not such as to lend themselves to protection against dust being afforded by the installation of machinery and in such cases we recommend that employers should provide nasal respirators for the use of workmen.

SPACE BETWEEN MACHINES.

We were impressed by the superior layout of machinery in some modern mills as compared with that in the older ones. In many of the latter the spaces between the frames in the slubbing, inter, roving and ring spinning departments and between the looms in the weaving department were cramped. Such cramping of the machinery, apart from the discomfort caused to the attendant operatives, must obviously increase the risk of accidents. We realize that structural difficulties may prevent a wholesale rearrangement, but we think that the question of machinery spacing should be examined with a view to the provision of more space between machines in those mills where sufficient attention does not appear to have been paid to the matter.

SPECIAL PROVISIONS IN BLEACHING AND DYEING SHEDS.

In the course of his evidence, Dr. Dastur submitted to us a copy of a report compiled by him on an investigation which he had conducted in the Tata Mills into the incidence of occupational diseases in the bleaching and dyeing departments of cotton textile mills. In this report he suggests that in all processes in these departments, where chemicals are used, gloves, goggles and foot protection should be given to the workers concerned. We recommend that the Department of Factories should conduct inquiries into this matter and the Government of Bombay should, if necessary, make rules requiring all employers to provide the necessary protection to the workers in these departments.

Gratuities and Pensions.

Although the principle that some form of provision for old age is essential in the interest of the industrial worker is now being increasingly recognized, circumstances do not permit the immediate introduction of old age pension schemes in the cotton textile industry of this Province. A few mills are reported to be giving pensions to some of their employees with long and continuous service, but the number of workers actually in receipt of such pensions is negligible. About thirty mills in Bombay City, a few mills in Ahmedabad and the two mills at Kurla give compassionate allowance or gratuities to some of their workers for long and faithful service. There are, however, hardly any rules regarding the grant of such allowances, gratuities or pensions and the decision of the mill management is final in all such cases. The E. D. Sassoon group of mills in Bombay have formulated a discretionary scheme for the payment of lump sum gratuities to all workers who have put in twenty or more years' service. The scales of gratuities under the scheme vary according to the pay and length of service. Thus, workers whose pay at retirement is Rs. 20 per month or less get a gratuity of Rs. 60 for service of 20 complete years, Rs. 75 for service of 21 to 25 years, Rs. 90 for 26 to 30 years' service and Rs. 100 for over 30 years' service, while the maximum gratuity payable is Rs. 350 for jobbers earning over Rs. 200 per month and retiring after 30 years' service. In three mills, which have got provident fund systems for their employees, gratuities for long service are usually sanctioned to retiring employees who are not members of the provident funds. Two other mills in Bombay give gratuities equivalent to one, two or three months' pay to all workers who retire after 20 years' service or earlier in cases of incapacity, while, in the remaining mills, pensions and gratuities are granted in deserving cases at the discretion of the managing agents. One mill in Bombay, one in Kurla and one in Sholapur also give discretionary pensions or gratuities to the widows of workers who die while in service. The most liberal of all the superannuation schemes to be found in the cotton textile industry in the Province of Bombay is that which exists in the Gokak Mills where retirement gratuities are paid to workers with long service at the discretion of the management on the basis of two years' pay for 20 years' service, two and a half years' pay for 25 years' service and three years' pay for 30 years' service.

All the existing systems of superannuation benefit are voluntary in character and gratuity cannot be claimed by a worker as a matter of right. Some mills, however, favour the gratuity system for their workers as it helps to retain workers in their service. In his evidence before us on behalf of the Millowners' Association, Bombay, Mr. Stones said that it would be desirable to have the gratuity system introduced in all mills. We are in agreement with this view. Owing to the impracticability in the present state of development of the cotton textile industry of making any other immediate provision for old age or retirement, we can only suggest that the system of paying retirement gratuities after about fifteen years' qualifying service should be introduced in the cotton textile

mills in this Province. Model rules in this connection should be framed by the millowners' associations in this Province.

Provident Funds.

The institution of a provident fund system enables a more substantial provision being made against old age and retirement than the payment of gratuities. Under the provident fund system, the workers are encouraged to deposit a small percentage of their wages regularly every month and the employers also contribute to the individual accounts of the workers sums which are usually equal to, or half of, the amounts subscribed by the workers. The subscribers to provident funds are granted temporary advances from the amounts standing to their credit for specified purposes.

Very few of the cotton textile mills in Bombay City having provident fund systems for employees have kept the funds open to wage earners. The Kohinoor Mills, however, have a provident fund open to all classes of employees the membership of which is optional. The company contributes to the fund, annually, a sum equal to 75 per cent. of the total amount subscribed during the preceding year, provided a dividend of not less than 5 per cent. is declared on the ordinary share capital of the company for that year, and a further 5 per cent. for every additional 1 per cent., but in any event not exceeding 100 per cent. In the Century Mill, subscription to the provident fund is compulsory for all permanent employees and servants in receipt of a salary of Rs. 30 per month and over and optional for those in receipt of a salary of less than Rs. 30 per month. The company contributes to the fund each year a sum equal to the aggregate contributions of all the subscribers during that year; but no subscriber becomes entitled to receive his share of the contributions by the company or any part thereof until he has been in the service of the company for a period of twenty years. In most other mills, the funds are primarily intended for supervisory and clerical staff, but jobbers are sometimes permitted to join. The Svadeshi Mill at Kurla has got a provident fund scheme to which every worker can contribute at the rate of half an anna per rupee of earnings and the company contributes an equal amount and further grants 5 per cent. interest on the workmen's as well as its own contributions. The number of operatives taking advantage of the scheme was stated to be 710 in August 1939. The Ahmedabad Advance Mill has also been maintaining a provident fund for all its employees since 1912. The subscribers' contributions to the fund are at the rate of one anna in the rupee of earnings and the company contributes an equal sum every year. The number of operatives subscribing to the fund was 112 in August 1939. No mills in Sholapur have instituted provident funds. Amongst mills in the other regions of this Province, the Gokak Mill has a fund which is open to all employees who contribute at a uniform rate of 5 per cent. of their wages—the company also contributing an equal amount; any member of the provident fund retiring after having completed fifteen years' membership of the fund is entitled to the whole amount standing to his credit, while workers

retiring through ill health are usually paid the company's contribution irrespective of the length of their service. In 1935 the number of workers contributing to the fund was nearly 2,000. We were informed during the course of our inquiry that though the Kohinoor and the Svadeshi Mills admitted all workers to their provident funds, a large number of them did not become members. In the Svadeshi Mill, the workers are reported to have found it difficult to subscribe to the fund at the rate of one anna in the rupee. The subscription was subsequently reduced to half an anna in the rupee, but only 700 out of about 3,000 workers took advantage of the facility.

It will be seen that the progress made so far in the institution of contributory provident funds in the cotton textile mills in this Province is meagre. The difficulties in the way of an extension of the system of provident funds are obvious. Low paid workers cannot afford to make regular contributions out of their scanty earnings. Contributions by the employers mean an appreciable addition to the wage bill. We suggest, however, for financially strong concerns the establishment of provident funds open to all classes of employees as a suitable method of building up a stable labour force. We recommend that Government should make the provisions of the Provident Funds Act, 1925, applicable to such funds and include in the schedule of the Act the names of the cotton textile mills establishing provident funds so as to protect, under section 3 of the Act, the workers' contributions from attachment.

Sickness Insurance.

The urgent necessity of making provision for the maintenance and for the medical relief of workers during periods of sickness was stressed before us in evidence by the representatives both of the employers and of the workers. The representatives of the Millowners' Association, Bombay, however, pointed out that "the rate of advance must be dictated by the industry's capacity to finance its legitimate share of such schemes without imperilling its competitive capacity". On the other hand, the Bombay Provincial Trade Union Congress stated: "Such beneficent legislation provides real and indirect help to raise the wage levels and should be adopted in India. It is not that such measures help only the worker and that also only to raise his wage level. They protect society also indirectly. . .. . This provision has to come by State legislation." The representatives of the Textile Labour Association, Ahmedabad, advocated "the immediate adoption of the system of granting annual holidays with pay and sickness benefit" and added that "a scheme of sickness benefit is a dire necessity in our country."

The International Labour Office Year Book for 1937-38 states that the principle of social insurance may now be said to have obtained official recognition everywhere. It goes on to add that even those countries, which had hitherto rejected the idea of organized collective provident schemes in social welfare, have come to realize their absolute necessity, and it is generally admitted today that material progress calls for the establishment of a system of social security to ensure the fair distribution

of purchasing power and to protect workers and their families against risk.[1] The 1938-39 edition of the Year Book states that the development of social services, of which compulsory insurance is the most important part, has gone forward in spite of the ups and downs of the economic and political situation and even perhaps because of them.[2] Two Draft Conventions and one Recommendation on international regulations of schemes of sickness insurance were adopted by the Tenth Session of the International Labour Conference in 1927. The Conference recognized that " compulsory sickness insurance provides the best means of constantly and systematically applying provident measures to obviate or make good any loss of the workers' productive efficiency " and it, therefore, emphasized the principle of compulsory insurance in both the Draft Conventions. Sixteen countries have ratified the Draft Convention concerning sickness insurance for workers in industry and commerce and domestic servants, while legislation for compulsory sickness insurance has either been passed or is in progress in twenty-three countries. The Draft Conventions and Recommendation were discussed in the Indian Legislative Assembly in March 1928 ; but they were not ratified on the ground that the introduction in India of any comprehensive scheme on the lines of the Conventions was impracticable in the then existing circumstances. The Government of India, however, expressed their entire sympathy with the ideals underlying such legislation and stated that they were satisfied that the need of Indian workers for some provision was in no way less than that of workers in other countries, and the problem, as it presented itself to them, was one of determining the extent to which the serious practical difficulties that must attend the introduction of any scheme could be overcome.[3]

The problem of sickness insurance had also engaged the attention of the Royal Commission on Labour in India which recognized the great need of the workers for some provision during sickness. In the course of its discussion on this subject, it observed : " There has been a tendency on the one hand to overlook the difficulties and on the other to be content with stressing them. That the difficulties in the way are formidable must be recognized. The main difficulties include following the workers to their villages, arranging for proper medical treatment there, and providing for medical certification, in order to enable workers to obtain extended benefits should sickness continue. The lack of faith in modern medical methods is still an important factor, and the administrative expenses likely to be incurred in working on a national or even a provincial scale a system of insurance based on Western lines would probably be extremely heavy. But none of these arguments diminish the need of the worker for provision during sickness."[4] The recommendations made by the Commission in this matter were considered by the Government of India who addressed a circular letter in 1935 to Provincial Governments requesting them to report on the

(1) " International Labour Office Year-Book " 1937-38, page 278.
(2) " International Labour Office Year-Book " 1938-39, page 167.
(3) " Indian Industries and Labour Bulletin No. 63 ", 1937, page 2.
(4) " Report of the Royal Commission on Labour in India, 1931 ", page 266.

feasibility of conducting a statistical inquiry into the incidence of sickness contemplated by the Commission, and, alternatively, on the possibility of building on the actual experience gained in the operation of small experimental schemes. The conclusions reached by the Government of India on the subject, after an examination of the replies received from Provincial Governments on the recommendations of the Commission, are contained in their circular letter of May 1937 addressed to Provincial Governments.[1] We reproduce below some extracts from this letter :

" There is general agreement with the Government of India that the statistical enquiry would be too elaborate in character, besides being almost impossible to execute and, that, even if it could be carried out, it would yield unreliable results which would not be commensurate with the time, trouble and cost involved.....

" With regard to the suggestion for building on actual experience of small schemes, the replies generally agree that this is a sounder method than a general statistical enquiry ; but the Provincial Governments point out that no experience is available on which to build. They have only been able to furnish details of 14 schemes in actual operation. The benefits provided in them vary from the mere provision of medical aid and medicine, to payment of a proportion of wages for an indefinite period during sickness. In some cases other benefits, such as funeral expenses, temporary loans, lump-sum payments for births and deaths are given. There are so few schemes in operation and even in them so much variety in the nature of the benefits given that these schemes cannot be used as a basis for conclusions about the incidence of cost of a sickness insurance scheme for any class of workers in India.

" As regards initiating experiments with small schemes applicable to individual establishments, it has been urged that even these would require some preliminary statistical investigation and that the migratory habits of labour introduce a very uncertain factor into the calculations. Provincial Governments are not hopeful of being able to persuade employers to embark upon experimental schemes in the present conditions of industry and with the present wage position the workers are not likely to show much readiness to join contributory schemes.....

" At the present moment, there is, therefore, a lack of real demand for any experimental schemes on the part of Provincial Governments and employers and, indeed, from workers if the schemes are to involve contributions from them. But schemes can be started by employers where conditions are favourable on the empiric lines suggested by the Commission and the Payment of Wages Act makes it possible to deduct contributions from wages for sound schemes. The powers of the Government of India are limited to legislation and as no Provincial Government is in a position at present to take up the problem on general lines they cannot take any further action at this stage on this question."

(1) " Indian Industries and Labour Bulletin No. 63 ", 1937, pages 126 to 129.

The attitude of the Government of Bombay towards the question of sickness insurance, however, underwent a change in 1937. Thus in paragraph 4 of the communique dated the 17th August 1937 regarding the Bombay Government's policy in respect of the industrial worker, it was stated: "For the protection of the industrial population Government visualize the development of a comprehensive system of social insurance." Under instructions from Government, the Commissioner of Labour issued a circular letter in October 1937 to all employers' organizations, trade unions and other interested persons and bodies, requesting them to favour Government with suggestions with regard to the feasibility of legislation for leave with pay during periods of sickness. The scheme outlined in the circular letter was as follows:

> "Subject to certain qualifications regarding the length of service, every industrial worker will have a legal right of three to four weeks sick leave with pay during each year, of which he may avail himself under certain easily enforceable conditions regarding certification. If there is any balance of leave left unutilised during the year, it is to be turned into cash—the calculation being based on certain average scales of wages—and the amount thus ascertained is to be handed over to a fund to be maintained by Government. The worker will be required to contribute ten days' wages to the fund every year. The amounts which may thus accumulate in the account of each individual worker will be drawn upon on his retirement from industry or on his attaining a certain age and will be paid to him either in a lump sum or in instalments. The scheme will thus have some of the characteristics of sickness and retirement, old age and death benefits and if successful may pave the way for specific schemes of social insurance on the lines of those to be found in the more advanced countries."

This scheme is a composite one intended to meet a number of requirements. In our opinion, such a scheme cannot meet the need for insurance against sickness which, as we emphasize elsewhere in our Report, should claim priority over other social benefits. We think that a more satisfactory way of dealing with the problem would be to start a tentative sickness insurance scheme on a modest scale. Many countries, which wished to introduce social insurance schemes in the past, began by starting special compulsory insurance schemes for miners, seamen, railwaymen and workers in large industrial undertakings that appeared to lend themselves most easily to the introduction of social legislation, and this Province can well make a beginning in the direction with the cotton textile industry. In instituting measures of this kind, we would advocate the adoption of the approach which has proved successful in other countries. This becomes all the more necessary when it is found to be practically impossible to collect any reliable morbidity statistics for framing scientific sickness insurance schemes for this Province. We feel that the absence of reliable morbidity statistics and the difficulties in the way of instituting an inquiry into the incidence of sickness should not be allowed to stand in the way of the introduction of a scheme of sickness insurance for the cotton textile industry in this Province. Much valuable statistical and other material

on the different aspects of health insurance schemes in foreign countries, for example, their scope, administration, financial resources, benefits, average cost per insured person, has become available during the last twelve years. We believe that a careful study of the working of the different sickness insurance schemes introduced in various countries, including that of an Eastern country like Japan, should make it possible to start in this Province a modest scheme on the usually accepted lines. The main feature of such schemes is that they are elastic and that as experience is gathered and the funds grow in size the benefits may be extended. Even in countries in which such schemes have been in existence over a fairly long period it has been found necessary to make changes from time to time in the scope and character of the benefits so as to enable the greatest possible advantage to be given to the insured consistent with the solvency of the funds. Thus, in addition to the medical and cash benefits which are generally offered under sickness insurance schemes, they also provide for what are known as " additional benefits " which usually take the form of either an increase in the cash benefit or the provision of special hospital or other treatment, reduction or abolition of the " waiting period ", or grant of funeral expenses.

ESSENTIAL FEATURES OF SICKNESS INSURANCE.

Any sickness insurance scheme to be introduced in this Province must be on a contributory and compulsory basis. The International Labour Office Report on the subject of Sickness Insurance makes the following observations with regard to the necessity for compulsion: " Many workers fail to insure, some by improvidence and others through lack of means. In particular, those earning low wages do not join the societies; forced as they are to apply the greater part or the whole of their earnings for the satisfaction of immediate needs, they are both less able to save and more frequently ill. . . . In spite of its valuable achievements, the voluntary insurance movement has been found insufficient and it has become clear that the way to secure general and effective protection against the risk is by making insurance compulsory."[1] We are of opinion that the scheme should be very simple in character at least in its initial stages and that both the contributions and the cash benefits payable under it should be fixed on a flat rate basis as in the British Health Insurance Scheme. The scheme should be restricted to permanent workers in cotton textile factories and should be introduced first in Bombay and Ahmedabad. It should be under the control of a Central Board of Management consisting of representatives of Government, local bodies employers' and workers' interests and of the medical profession. Expenditure in connection with the Board and its establishment should be borne by the Provincial Government. We recommend the following benefits under the scheme:

(*i*) Medical benefit consisting of free medical treatment and attendance and free medicines and appliances. The insured persons should be entitled to medical benefit immediately after the payment of the

(1) " Compulsory Sickness Insurance ", International Labour Office, Studies and Reports, Series M., No. 6, 1927, pages 9-10.

first insurance contribution and they should also receive free medical certificates for health insurance purposes from the doctors appointed under the scheme.

(*ii*) Cash benefit commencing from the fourth day of incapacity and continuing for a period or periods up to a maximum of six months in a year at a flat rate but not exceeding 75 per cent. of the insured person's average daily wage during the preceding quarter.

(*iii*) Additional benefits as may be decided upon by the Central Board of Management from time to time according to the availability of surplus funds.

The cash benefits should ordinarily be payable to the workers in the towns in which they are employed but not in cases where compensation for accidents or maternity benefits are provided for the insured persons under the Workmen's Compensation Act, 1923, or the Bombay Maternity Benefit Act, 1929. The Central Board of Management may, however, allow the insured person, even if he temporarily leaves the town of his employment, to draw sickness benefits either at full or at reduced rates, provided he produces, in a manner to be prescribed, satisfactory evidence of his continued incapacity during the period for which the benefit is claimed.

The principle of joint contributions by the employers and the employees to social insurance funds is now being increasingly adopted in most countries. The Recommendation on Sickness Insurance adopted by the International Labour Conference at its Tenth Session in 1927 states: "The financial resources for the insurance scheme should be provided by contributions from the insured persons and contributions from employers. The provision thus jointly made can be supplemented to advantage by contributions from public funds, especially for the purpose of improving the health of the people." Even in India the principle of contributions by employers has already been recognized in the Workmen's Compensation and the Maternity Benefit Acts. In other countries the State also contributes a share to social insurance funds in varying proportions either for meeting the cost of the benefits or for administrative expenses. In this connection, the International Labour Office Report on Sickness Insurance states: "The fact is that the basis for the sharing of cost is the result of a complex of conditions which varies from country to country, and even in the same country at different periods; the level of wages in relation to the cost of living (i.e., the ability of insured persons to contribute), the prosperity of production (i.e., the ability of undertakings to bear social charges), the state of the public finances (i.e., the possibility of obtaining from the taxpayer money to subsidize insurance), the power of trade unions of employers and workers, the composition, tendencies, and attitude on social questions of Governments and Parliamentary majorities."(1)

(1) "Compulsory Sickness Insurance", International Labour Office, Studies and Reports, Series M., No. 6, 1927, page 22.

Though there is no uniformity in the apportionment of the contributions between the employer, the worker and the State, it is now generally recognized that, in the case of workers whose wages are low, the employer's share should be larger than that of the workers.

We recommend that a compulsory and contributory sickness insurance scheme in which the employers, the workers and the State will all contribute should be started, on the lines suggested by us, in Bombay and Ahmedabad in the first instance and extended subsequently to the other cotton textile centres in the Province. The insured workers' share of the contributions should be deducted from their wages by the employers who should be held responsible for the payment into the sickness insurance fund of the total contributions of all the insured workers employed in their factories. By way of illustrating the manner in which a scheme of sickness insurance can be worked out in accordance with the general principles formulated by us, we give below the approximate calculations of such a scheme on a tentative basis.

ILLUSTRATIVE SCHEME.

The monthly contributions payable by the employers, the employees and Government may be at the following rates, subject to the condition that the rate of contribution of the insured person shall in no case exceed five per cent. of his or her average monthly wages during the preceding quarter :

Insured worker.	Monthly contribution payable by			Total.
	Employer.	Worker.	Government.	
Male	As. 10	As. 5	Anna 1	Re. 1
Female	As. 10	As. 4	Anna 1	As. 15

These rates are at a much lower level than those suggested by Mr. Stones in the course of his evidence, namely, eight annas per month per adult worker with a contribution by the employer of one rupee per month, as we are of opinion that it is desirable to make a beginning on the basis of a scale of payments by the employers which does not impose an unduly heavy burden on the cotton mill industry. Because of the

same considerations the cash benefits may be placed at the following rates :

Period.	Daily cash benefit from the *fourth* day of incapacity.	
	Men.	Women.
(*a*) During first six months after entering insurance ..	Nil.	Nil.
(*b*) After completing six months' insurance period and payment of *six* monthly contributions but before completing 24 months' insurance period	As. 6	As. 5
(*c*) After completing 24 months' insurance period and payment of 24 monthly contributions	As. 10	As. 8

If we proceed on the basis of an average daily number of 1,50,000 persons permanently employed in the cotton textile mills in Bombay City, the contributions from employers, workers and the State in respect of both men and women workers according to the rates given in the above table would yield a total annual revenue of approximately Rs. 17,80,000. It is, however, unusual to insist on the payment of contributions by sick persons during the period of their incapacity for work ; and, making an allowance of about Rs. 25,000[1] for the loss in contributions on this account, the total revenue derived from the contributions of 1,50,000 workers would amount approximately to Rs. 17,50,000 per annum.

The results of a limited inquiry into the incidence of sickness conducted by the Labour Office of the Government of Bombay[2] show that the total duration of illness during the period covered by the inquiry in all cases of sickness of three or more days' duration among the 11,744 workers employed daily in the three mills studied amounted to 53,850 days. This works out at an annual average rate of 4·6 days of sickness per worker without making any allowance for the various limitations of the inquiry mentioned in the Labour Office report. The number of days of sickness for which benefit was paid in Japan in the year 1934 was, on an average, about six per insured person.[3] It must not be forgotten, however, that the introduction of a sickness insurance scheme generally tends to increase the average number of days of incapacity for work. As pointed out in the memorandum of the Actuarial Advisers to the Union Government appended to the Report of the Departmental Committee of Enquiry on National Health Insurance in the Union of South Africa, the rates of sickness depend to a very large extent on efficient administration which involves the exercise of a strict

(1) The basis on which this figure has been arrived at is the assumption that the sickness rate per insured worker would be nine days per annum.

(2) " Labour Gazette ", March 1933, pages 520-521.

(3) " International Labour Review ", July 1937, page 88.

control, the necessity of keeping continuous records, the comparison of the actual sickness claims with the expected claims at each centre and the investigation of the circumstances at the centre or centres where the incidence of sickness is found to be above the average. The figures of the actual duration of sickness per insured person in various countries having sickness insurance schemes allowing maximum benefits for a period of six months in a year should, therefore, be useful in arriving at a tentative figure of the cost of the scheme which, as has already been pointed out, can be made sufficiently elastic to allow its expenditure side to be adjusted to its total resources.

In the light of the experience of other countries, it would be adequate to make a provision for sickness benefits in the scheme at the maximum daily rate of ten annas per insured person on the basis of a sickness rate of nine days per annum. The average daily wage of a cotton mill worker in Bombay City roughly works out to Rs. 1-4-0 including increases given to the workers in accordance with the recommendations in our Interim Report. As the object of a cash benefit is to give to the worker some assistance against loss in wages during the period of incapacity, we consider that the full rate of sickness benefit to be given to a sick worker should be about 50 per cent. of the average wage. At the same time, the grant of a cash benefit should not lead to malingering; sick benefits do not, therefore, ordinarily exceed three-fourths of the amount of the daily wages drawn by a worker. Under the British scheme, payment of cash benefit does not begin until the fourth day of incapacity. A provision at the rate of annas ten per day from the fourth day of incapacity may, therefore, be made for sick benefits in all cases qualifying for the receipt of full sickness benefit on the completion of twenty-four monthly payments into the fund. The cash benefit payable before the completion of the qualifying period according to this scheme would be nil during the first six months and at reduced rates from the seventh to the twenty-fourth month of the insurance period. The cost on account of cash benefits at the full rate of annas ten per insured person for each day of illness for 1,50,000 workers in Bombay City would come to about Rs. 7,15,000 for all cases of sickness of three or more days' duration on the basis of an average of nine days of sickness per insured person. This, however, is an over-estimate as the cash benefits will be lower for women and will be graded, as in the British scheme, according to the length of time that a worker has been contributing to the fund. In case of the assumed sickness rate being exceeded it should be possible for the Central Board of Management to adjust the expenditure on sickness benefits either by slightly increasing the rates of contribution or by reducing the cash benefits. On the other hand, if the actual sickness rate is found to be below the assumed rate of nine days per worker per year, the Board could utilize the surplus either in increasing the sickness benefit rates up to As. 15 or 75 per cent. of the insured person's average daily wage, which ever is lower, or in granting other additional benefits as already provided for in the scheme.

As has already been pointed out, medical benefits consisting of free medical attendance and the free supply of medicines form an essential part of a sickness insurance scheme. The system to be adopted for providing medical attendance to the insured persons during times of illness, therefore, requires careful consideration. Medical attendance is provided in England through what is known as the panel system. Under this system a doctor is ordinarily not allowed to have more than 2,500 insured persons on his list; he receives nine shillings per annum for each insured person on his list and he is allowed to go in for private practice. The doctor is expected to have his own consulting room and surgical equipment, but he is not expected to treat the more serious cases which go to specialists. The average number of patients per panel doctor in England and Wales in 1937 was 964. One reason for the success of the National Health Insurance Scheme in England is the right given to the insured person of choosing his own doctor from the panel. We recommend that the same principle should be adopted in this Province. We may calculate the cost of free medical attendance on the basis of Rs. 3 per annum for each insured person and this would cover all medical and surgical attendance at the homes of the insured when necessary, the issue of free medical certificates for health insurance purposes and the maintenance of proper statistical records. We have already recommended that there should be no waiting or qualifying periods for medical attendance on the insured and this should begin simultaneously with the entry of the insured person on the list of a panel doctor. The total annual cost for free medical attendance would, at the rate assumed, amount to Rs. 4,50,000. The charges for drugs and appliances in Scotland[1] were found to be about two shillings per head in 1935. The cost on account of medicines and appliances on this basis for 1,50,000 insured persons would come to about Rs. 2,00,000 per annum. In addition, the cost of the maintenance of dispensaries in respect of rent, salaries of chemists and compounders, etc., may be put at about Rs. 1,35,000. The total expenditure on account of both the cash and medical benefits works out roughly at Rs. 15,00,000. Any insurance scheme of this type must, however, by its very nature provide also for reserves for meeting extra expenses during epidemics, and it is, therefore, essential to make a provision of at least 12½ per cent. or about Rs. 2,00,000 on this account. Thus, the total expenditure on account of sickness insurance would work out to about Rs. 17,00,000 for 1,50,000 insured workers in Bombay City.

On the basis of the above calculations, the employers in Bombay and Ahmedabad will have to contribute about six days' wages for each insured person per year while the workers' contribution will be about three days' earnings of an average worker. Regarding contributions from employers, Mr. Kasturbhai Lalbhai on behalf of the Ahmedabad Millowners' Association stated: "We shall be willing to favour these propositions provided they are based on the co-operation of all, the

(1) "P. E. P. Report on British Health Services", 1937, page 216.

State, Labour, Municipal Corporation and the Millowners" and this statement is typical of the general attitude of the millowners towards the financial side of social insurance. In this connection we may also draw attention to the letter dated the 30th December 1937[1] addressed to us by the Government of Bombay on the subject of legislation regarding sickness and old age benefits of which we took due cognisance in making the recommendations contained in our Interim Report.

Unemployment Insurance.

Unemployment Insurance is now universally regarded as a necessary means for protecting the workers' standard of life. It may also help in securing stabilization of employment. It is necessary to emphasize that unemployment insurance is not a cure for prolonged unemployment; it is primarily intended to enable workers to tide over short periods of unemployment due to trade fluctuations and to provide for temporary and partial compensation for loss of wages during such periods of involuntary unemployment. The International Labour Conference discussed the question of unemployment at its first session convened at Washington in 1919 and adopted a Convention on the subject; a Convention on Unemployment Provision was adopted at the Eighteenth Session of the Conference held at Geneva in June 1934. The first Convention on Unemployment has been ratified by 31 States and the second by 3 States according to the International Labour Office Year-Book for 1938-39 which states that the "progress in the adoption and extension of unemployment insurance schemes continues unabated". About twelve countries have now introduced compulsory unemployment insurance schemes and eleven countries (including Switzerland which is included in both categories) have got subsidized voluntary schemes.[2]

In the Province of Bombay the question of the liability of the cotton textile industry to help the unemployed was considered by the Bombay Strike Enquiry Committee with regard to unemployment resulting from rationalization. After expressing the opinion that there is some obligation on the millowners to try and take some steps towards mitigating hardship due to loss of employment caused by the introduction of the efficiency scheme, the Committee suggested the formation of an "Out-of-work Donation Fund" for the payment of a gratuity to a worker amounting to four to six weeks' wages "according to his length of service, payable in suitable cases of discharged employees, who may need help during the waiting period while they are seeking employment."[3] The great drawback of the scheme proposed by the Committee was that it was voluntary and it was, therefore, shelved indefinitely in spite of the fact that its urgency and importance were admitted in several quarters. Our recommendations regarding

(1) Printed as Appendix D at page 102 of our Interim Report.

(2) "International Labour Office Year-Book", 1938-39, page 248.

(3) "Report of the Bombay Strike Enquiry Committee", 1928-29, page 160.

unemployment caused by rationalization are contained in the chapter on Rationalization.

We now proceed to consider the question of provision against unemployment in general. It is evident that an unemployment insurance scheme, under which the cotton mill workers in this Province would be enabled to get a guaranteed benefit during short spells of unemployment in return for regular payment of small monthly premia, will go a long way towards protecting their standard of living, increasing their efficiency and stabilizing the labour force of the industry. Lack of sufficient data, the unstable character of industrial labour and the large extent of labour turnover are the main reasons usually put forward against the introduction of unemployment insurance schemes in this country. Mr. Paul H. Douglas answers criticisms similar to these in the following words: " One of the common objections to unemployment insurance is that we cannot foretell its volume and hence cannot fix the needed premium rates. The implication of this criticism is, therefore, that we should either abandon the idea of instituting such insurance or that we should wait until sufficient information has been accumulated to permit us to make precise actuarial calculations of the risk involved. . . . There is indeed no practicable way of accumulating adequate actuarial experience without instituting such a system and as in every other form of insurance, the system can 'buy experience' as it goes on."(1) In his book entitled " Unemployment Insurance and Assistance in Britain ", Mr. Percy Cohen states: " Indeed, the forerunner of the present comprehensive systems of Insurance and Assistance was introduced almost as a side-line. . . . The sole administrative asset placed at the service of the original scheme of Unemployment Insurance consisted of the Labour Exchanges created by an earlier Act. Research and statistical data were virtually non-existent. Apart from very sketchy and limited schemes of unemployment insurance undertaken by the Trade Unions there was little experience at hand."(2) He further observes: " In arranging the finance of the permanent scheme, the Actuary assumed a rate of unemployment of 6 per cent. throughout the whole period commonly regarded as a trade cycle. That this assumption proved to have been very far removed from reality was no reflection on the Government Actuary, who could not foresee all the reactions following the dislocation of 1926, nor, indeed, the greater depression of later years."(3)

NEED FOR DEVISING SCHEME.

The other factors, namely, the instability of labour and the size of its turnover, should not present insuperable difficulties in an established industry especially in centres like Bombay, Ahmedabad and Sholapur. Moreover, the introduction of schemes of sickness and unemployment insurance which afford protection to the workers in their times of difficulty

(1) " Standards of Unemployment Insurance ", Paul H. Douglas, page 110.
(2) Pages 9 and 30.
(3) *Cf.* paragraphs 9, 43 and 44 of the Report on Unemployment Insurance in Australia by Godfrey H. Ince, 1937, pages 6, 13 and 14.

themselves constitute a stabilizing influence on the labour force. Improvements in methods of recruitment and conditions of service such as are suggested elsewhere in our report will also have a similar effect. In view of these considerations it is neither desirable nor necessary, in our opinion, to wait for attempts at collecting data and for a possible increase in the stability of labour. We, therefore, recommend that the Government of Bombay should devise a scheme of unemployment insurance to be brought into operation, in the first instance, in Bombay and Ahmedabad. Such a scheme will necessarily be confined to permanent workers in the industry and be of a compulsory and contributory character. " It is a principle of insurance that there shall be a pooling of risks. All give up a little in order that some may not lose much. In this way all the insured lessen their mental worries of what may happen should they be unlucky enough to experience the loss."(1) Regarding contribution by employers the P. E. P. Report on the British Social Services has the following: " Employers of insured workers are compelled to contribute to each of the three insurance funds in recognition of the need for maintaining a reserve labour force during periods of slack trade, and for maintaining the health and physical fitness of their employees at all times. In the case of unemployment and health insurance, and in that of old age pensions, the justification in principle of a compulsory contribution from the employer seems clear. Employers plainly have a responsibility for their laid off or temporarily incapacitated workers, and they should help to look after them, just as they do in fact look after any capital equipment which is not in use or which has broken down. They have also some responsibility for the welfare of their employees at the end of their working lives, and some progressive firms have long made provision for this on their own account."(2)

We expect that any scheme that may be devised will be similar in character to unemployment insurance schemes in other countries. It will have, for instance, a provision for a waiting period which will considerably lessen the administrative difficulties and enable the available funds to be distributed amongst persons whose need is the greatest; a condition regarding a minimum period of previous employment in the industry and the payment of a minimum number of contributions during the period immediately preceding the date of the claimant's application for benefit which will ensure the accumulation of a moderate reserve fund; a restriction regarding a minimum period of employment before a worker can be considered as " unemployed "; and the limitation of unemployment benefit to certain maximum days in a benefit year which would facilitate the adjustment of the expenditure to the income side of the fund. Thus, as in a sickness insurance scheme, an unemployment insurance scheme can also be framed on an essentially elastic basis.

We have already suggested that the Sickness Insurance Scheme, the adoption of which we have recommended above, should be under the

(1) " Standards of Unemployment Insurance ", Paul H. Douglas, page 98.
(2) Page 126.

control of a Central Board of Management consisting of representatives of Government, local bodies, employers' and workers' interests. We consider that the administration of a scheme of unemployment insurance, should also be under the general control of the same Board. The Board should establish Employment Offices at suitable places which the unemployed would be able to visit without having to pay any transportation charges. Under the British Unemployment Insurance System, the expenses of the Unemployment Insurance Statutory Committee, including salaries and allowances, are paid out of moneys provided by Parliament.[1] We suggest that the expenditure on the administration of the scheme of unemployment insurance in Bombay should be borne by the Provincial Government. The Provincial Government should also assist (i) by making temporary loans to the Unemployment Insurance Fund if and when it is unable to meet its immediate liabilities on condition that the repayment of such loan amounts should be made within a limited period out of the ordinary revenues of the Fund, and (ii) by contributing its quota with a view to strengthening the reserves of the Fund.

Holidays with Pay.

Most industrial countries of the world have now developed systems of granting holidays with pay to certain classes of workers either by legislation, by collective agreements, by arbitration awards, by individual contracts or by custom. As pointed out in the Report of the Director of the International Labour Office to the Twenty-Fifth Session of the International Labour Conference, 1939, no movement, perhaps, is more symbolical of the change taking place in the standard of life than the rapid extension of holidays with pay. He goes on to add : " It is widely felt that with the increasing productivity of industry it should no longer be necessary for the workers to drudge a ceaseless round, year after year, without intermission. This movement, to which the International Labour Conference gave a fresh stimulus by the adoption of the Holidays with Pay Convention in 1936, is based on a recognition of the needs of the worker as a human being and not merely an instrument of production. The fact that in some countries workers are now entitled to a fortnight's holiday with pay is one of the outstanding triumphs of social advance. The rapidity with which this movement has spread is remarkable. In 1920 only one country had adopted legislation providing paid holidays for wage earners in industry and commerce. In 1925 five countries had done so, in 1930 seven, in 1935 fourteen and in 1939 twenty-three."[2]

The duration of the holiday in most of the countries that have adopted legislation on the subject varies from a week or less to a fortnight or more, the most frequent period being a week. The duration of the holiday increases with the length of service in certain countries. The qualifying period is generally a year's service, but in some countries

(1) " Unemployment Insurance and Assistance in Britain ", Percy Cohen, 1938, page 146.
(2) Pages 70-71.

service of less than a year is considered sufficient for granting the full minimum holiday or a holiday of a proportionately shorter period.

The necessity of holidays for factory workers was recognized by the Royal Commission on Labour in India which made the following observations on the subject in its report: "We consider that employers generally should recognise the need and the value of the holidays taken by so many workers. We recommend that workers should be encouraged to apply for definite periods of leave, and should go with a promise that on their return at the proper time they will be able to resume their old work. The mere grant of regular leave, even when no allowance is attached to it, would mark a great advance on the present system. It would give the worker an increased sense of security and of attachment to a particular factory, and greater efficiency would follow. At the same time, we urge that, wherever possible, an allowance should be given to the worker who goes on leave after approved service. The value of holidays in maintaining and increasing efficiency is undoubted; and few workers need these holidays so much as those employed in Indian factories. . . . The scale of allowance is of less importance than the recognition of the leave of absence."[1]

After the Holidays with Pay Convention had been adopted by the International Labour Conference, the Government of India stated, in a circular letter on the subject issued in 1937 to all Provincial Governments, that they did not propose to ratify the Convention because they believed that the statutory application of its provisions to all the establishments mentioned in it was administratively impracticable under existing circumstances and that they had the support of the Indian Legislature in adopting this course. Although they were satisfied that no comprehensive measure could be considered in the prevailing circumstances, they believed that the general principle of holidays with pay was a sound one and that it was securing increasing recognition in labour legislation in other countries. It was pointed out that in India workers in most Government establishments and in some private ones enjoy paid holidays on a scale which was ordinarily more generous than the minimum scale required under the Convention and that the systems already in force should not be incapable of a wider extension or adaptation.

In the cotton textile industry, there is no provision for leave with pay for wage earners, although the clerical and the supervisory staff are entitled to leave with pay. Standing Order No. 11 of the Standing Orders as finally settled by the Industrial Court, Bombay, under Section 26 (6) of the Bombay Industrial Disputes Act, 1938, for operatives in cotton textile mills, however, provides that service for a total period of twelve months in a mill shall qualify an operative for a total period of one month's leave, with or without pay according to the terms of contract, custom or usage of the mill and that the grant of such leave shall depend on the exigencies of the mill and shall be at the discretion of the company.

[1] Pages 26–27.

As already pointed out at the beginning of this section, legislation in regard to holidays with pay is a very recent feature of industrial life in most countries and schemes of sickness and unemployment insurance and old age pensions, etc., have always had precedence over it. The cost on account of holidays with pay has to be borne by the employers alone and is not, as in social insurance, shared by either the employees or the State. It may be mentioned here that, in replying to the circular letter from the Government of India referred to above, the Government of Bombay commended a suggestion made by the Commissioner of Labour, Bombay, that the workers in private industries should be granted fifteen days' leave with full pay per year.(1) Although we think it desirable that employers should grant holidays with pay to cotton mill workers in this Province, we consider that the adoption of such a measure should be postponed until schemes of sickness and unemployment insurance and old age pensions, which, in our opinion, should have priority, have been introduced.

(1) Government of India Bulletins of Indian Industries and Labour, No. 68, 1937, page 56.

CHAPTER XI.

LABOUR MANAGEMENT AND ORGANIZATION.

In the preceding three chapters we have discussed the measures which the employers, the employees and Government should take to improve the wage level in the cotton textile industry of our Province and have made recommendations regarding them. The adoption of the best and most efficient technical processes and the most scientific methods in industry will not, however, attain its purpose if the human element is ignored. In the present chapter we discuss the technique of labour administration, especially in its human aspects. That industry is best managed which reduces the conflict in the relations between employers and employees to the minimum and thus seeks to eliminate industrial unrest. Maladjustments in industry arise mainly in relation to the recruitment and management of labour and the opportunities offered to workers to influence the conditions of their work and remuneration. These maladjustments can be removed by adopting proper methods of recruiting and training workers and thus reducing excessive labour turnover, by avoiding friction between men and management in regard to such questions as those of promotions and dismissals, and by fostering better industrial relations through co-operation with workers' unions—in short, by keeping employees efficient, contented and loyal. All employers seek the greatest possible output at the least possible cost. But few employers realize that scientific management of industry in its technical and financial aspects, however essential, will not be enough to secure economy and efficiency and that it is equally essential to control the human factors intelligently and equitably. How to control the human factors in the industry intelligently and equitably constitutes the problem of labour management and organization which we examine in this chapter.

Recruitment.

We deal first with the question of recruitment of labour. The average number of workers employed in the cotton textile industry in the Province during 1938 was 3,27,745. Of these workers, 1,63,932 or about 50 per cent. were employed in Bombay, 1,12,743 or about 34 per cent. in Ahmedabad,[1] 22,405 or about 7 per cent. in Sholapur[1] and the rest at other centres. Though complaints were made in certain centres about the dearth of skilled workers for night shift, there was no evidence before us to show that employers ordinarily experienced any difficulty in securing an adequate supply of labour. The general trend of the evidence given by the workers and their representatives, however, was that the methods of recruitment adopted by the employers were far from being satisfactory, that they gave rise to bribery, corruption and favouritism and that they called for immediate and radical improvement. The power wielded by the jobbers in recruiting and dismissing the workers was, according to the representatives of the latter, the most important

(1) These figures are for Ahmedabad and Sholapur districts.

factor in the management of labour, inasmuch as it was the principal cause of bribery and corruption. The corruption takes various forms. The usual form is the payment of a lump sum to the jobber by the worker for securing employment, either permanent or temporary. Sometimes, the worker is compelled to make a regular payment out of each month's wages. The Royal Commission on Labour in India had recommended that the jobber should have nothing to do with engaging and dismissing workers. The jobber, however, continues to be chiefly responsible for the recruitment of labour in those centres, including Ahmedabad, where the *badli* control system has not yet been adopted. Even in centres—Bombay and Sholapur—which have introduced this system, the jobber, according to the representatives of workers, has not lost his influence over recruitment. Mr. Maloney said that, though the Bombay millowners had not been able to eliminate the jobber altogether, his power was today very much less than it was in the past. He hoped that in course of time the jobber would be what he was in other countries, that is, he would not supply labour but supervise it while at work and attend to mechanical repairs. The view on this subject of the Government Labour Officer, Bombay, (Mr. Pryde) was emphatic. He said that the jobber had not been eliminated, in practice, for purposes of recruitment.

BADLI CONTROL SYSTEM.

The *badli* control system was started by the Millowners' Association, Bombay, in 1935 and has since been adopted by all member mills in Bombay and Sholapur. The object of the system, according to the Association, is the decasualization of *badli* labour. Every mill requires a supply of substitute labour or *badlis* to fill up vacancies caused by absenteeism. Before this system was introduced, it was found that the turnover among the *badlis* was high and that they did not become attached to any particular mill, but sought work from day to day in different mills. The excessive turnover among *badlis* was ascribed mainly to the fact that the day to day employment of *badlis* was left entirely in the hands of the jobbers who were pecuniarily interested in extending their patronage to as large a number of *badlis* as possible, with the result that *badli* workers, on an average, secured only a few days' employment per month in the same mill. While the jobber exploited this state of things for his benefit, it meant a loss both to the individual worker and to the mills inasmuch as the earning of the former fell and the latter suffered in efficiency by too large a turnover. The *badli* control system was devised with the two-fold purpose of giving the *badlis* regular employment and eliminating the influence exercised by the jobber in the recruitment of labour.

Under this system every mill estimates each month the probable number of absentees in each department. The number of *badlis* enrolled is based on the figure of absenteeism on the day after pay day which is generally the day of maximum absenteeism. On the first of each month special *badli* cards are given to a selected number of these persons who are

assigned to different departments according to their requirements. The *badlis* are asked to present themselves every morning at the mill when temporary vacancies are filled up from among them. New *badlis* are not employed as long as persons holding cards are available. When a permanent vacancy arises in any occupation, the senior *badli* fills it and gets a permanent worker's place, each substitute moving up one place in the seniority list. The cards of the *badlis* for whom there is no work available are initialled daily by the heads of departments. If the *badlis* do not attend the mills regularly, inquiries are made and a warning is given to them if no satisfactory explanation is offered. If, in spite of the warning, a *badli* is irregular in attendance, his card is cancelled. A record of employment, attendance and absence of each *badli* is maintained in a separate register from day to day. This register is helpful in selecting *badlis* at the end of the month when fresh cards are issued. The record is also checked in the light of the reports of heads of departments and if outsiders have been employed when holders of *badli* cards were available, prompt action, we are informed, is taken.

The *badli* registers are scrutinized by the mill management and monthly statements showing the extent of the labour turnover in each major department are prepared. The Millowners' Association, we are informed, closely watches the working of this system and, from time to time, recommends improvements suggested by experience. In 1936 the mills were asked to print instructions in Marathi on the back of the *badli* cards describing the rights and duties of *badlis*.[1] Standardized instructions were also issued by the Association to managers and departmental heads with a view to secure that the jobber was dissociated from engagement of labour for temporary vacancies. Returns about the working of the system are collected and examined by the Labour and Technical Advisory (Managers') Sub-Committee of the Association every month. In April 1937 the Millowners' Association appointed an Assistant to its Labour Officer specially to see that the *badli* control system was properly worked and recently it recommended the appointment of Labour Officers in individual mills to supervise the working of this system as well as to perform other duties. The total number of *badli* card holders varies between seventeen and twenty thousand from month to month, and in

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(1) The following is a translation of these instructions :

" (1) All persons carrying *badli* cards should present themselves for work every morning with their *badli* cards ; otherwise, these cards are liable to be cancelled.

" (2) They will be given first preference of employment as *badlis* and those who have been attending work regularly will be given first chance of employment on permanent vacancies.

" (3) They must not roam about in the department but must wait in a place allotted for the purpose of employing *badlis*.

" (4) If substitutes carrying *badli* cards, but not employed for that day, find that a new man without a card has been engaged on the type of work they have been doing, they must report the matter to the head of the department.

" (5) If *badli* work is not given to them, they must obtain the signature of the head of the department before leaving the mill."

May 1939, in 50 mills in Bombay, employing 87,380 workers, there were 16,356 *badli* card holders. From the figures supplied to us it appears that in a majority of mills the total number of *badlis* employed during the month does not exceed twice the number of maximum absentees, and this margin is considered necessary, because absenteeism varies during the month and all *badlis* do not turn up at the mills every day.

The Millowners' Association, Bombay, considers that the *badli* control system has to a great extent improved recruitment and points out that its value has been recognized by Government, who, in a circular letter addressed to all industrial establishments, recommended its adoption. The advantages which they claim, have been secured by the working of this system are thus briefly stated:

(1) It has brought about a gradual reduction in the amount of casual labour employed, and has been responsible for an improvement in the efficiency of substitute labour.

(2) It has gradually curtailed the power of jobbers to employ labour and to obtain illegal gratification from workers seeking employment.

(3) It has made it possible for the mills to have stable, adequate, trained and efficient *badli* labour ready to fill up casual as well as permanent vacancies in the mills.

The *badli* control system does not exist in Ahmedabad, but the representatives of the Ahmedabad Millowners' Association in their evidence stated that they approved of it, and, provided the Textile Labour Association offered its co-operation, there were prospects of introducing it in that centre.

The representatives of labour did not share the millowners' view of this system. For instance, Mr. R. S. Nimbkar, one of the representatives of the Bombay Provincial Trade Union Congress, said: "The *badli* control system has been very much praised by the millowners before this Committee. But it is not followed even as the millowners want it to be followed. I can produce witnesses to the fact that workers who have been in *badli* for two years have not been given permanent jobs, while favourites have been given. Even *badlis* have to give bribes to secure jobs in nearly 25 per cent. of the mills in the City." The main criticism against the system is that though it has, to an appreciable extent, curtailed the power of the jobber to employ the workers, it has not entirely dissociated him from this function, for it is still he who fills up vacancies from amongst the *badlis* assigned to him. To the extent it has not done so, the scope for bribery and corruption remains.

MILL LABOUR OFFICERS.

After the passing of the Bombay Trade Disputes Conciliation Act of 1934, the Millowners' Association, Bombay, appointed a Labour Officer of its own to work in collaboration with the Government Labour Officer. According to the Association, among the matters which he has kept in the forefront of his programme are the prevention of unfair dismissals and the strict observance of the provisions of the Standing Orders designed to prevent unjust treatment of workers. He supervises the working of the

badli control system and performs various functions. We are informed that he tries to ascertain in advance any alterations in working conditions which mills may propose to make and, after consulting the Secretary of the Association, he advises the mills whether to proceed with the proposals or not. He maintains touch with the Government Labour Officer for the purpose of settling complaints and grievances of workers employed in member mills. We are told that almost all complaints relating to bribery, assault and wages are jointly investigated by the two officers. The Millowners' Labour Officer also arranges an informal conference between the Chairman and the Secretary of the Association and the Government Labour Officer every month to discuss matters of importance arising from the day to day work of both the officers. In the event of a strike in a member mill, he proceeds immediately to the mill concerned and tries to get work restarted. If this is not possible, he advises the mill, after consulting the Secretary of the Association, to take necessary steps to deal with the dispute. In conciliation proceedings he acts as a delegate on behalf of the Association or of any individual member mill concerned in them and compiles a report on each conciliation proceeding for the information of the Association. Naturally, one of his important functions is to obtain information about the activities of the labour organizations and the labour situation generally, and if any labour unrest is found to exist in any particular mill, he draws the attention of the authorities of the mill to it. He prepares a monthly report of all important happenings relating to labour. This report also contains a brief description of the work done by him and of the disputes during the month. He attends all meetings of the Labour and Technical Advisory (Managers') Sub-Committee of the Association and the meetings of the special Sub-Committees dealing with questions affecting labour and places proposals with regard to these questions before the former. With the help of the Assistant Labour Officer he maintains information on the progress of rationalization in the industry, important alterations in working conditions, and other matters. He assists all member mills in giving effect to the recommendations of the Association and makes periodical reports on the progress achieved in this direction. He also advises them on all matters concerning labour which are referred to him and he assists the Secretary of the Association in training Labour Officers for appointment in member mills.

Recently the Millowners' Association, Bombay, at the suggestion of its special Labour Sub-Committee, recommended to its members the appointment of Labour Officers and in response to this suggestion 26 mills have appointed such officers. The duties of the mill Labour Officer, according to the instructions issued by the Association, are not to infringe on the duty or authority of the managers or heads of departments and his main tasks in the early days of his appointment are " to supervise recruitment, prevent abuses, ensure a fair deal to labour, and generally to assist the management in all labour matters." It may be mentioned here that Bombay is the only centre where Labour Officers have been appointed by a number of mills. The experiment is too recent and has been made in too limited a field for a definite judgment to be

pronounced on its success or failure. While the employers anticipate very good results from the experiment, the representatives of labour have looked upon it with indifference, if not suspicion. The main reason for this attitude of labour is stated to be that the Labour Officer has no independent authority and is too much under the influence of the management to be able effectively to protect the interests of the workers.

The Royal Commission on Labour in India had recommended the appointment of a Labour Officer, who should be subordinate to no one except the general manager of the factory. The Commission had also recommended that no employee should be selected except by the Labour Officer personally, in consultation with the departmental heads, and that none should be dismissed by them without his consent, except by the manager who might do so after hearing what the Labour Officer had to say. In defining the duties of Labour Officers mills in Bombay do not seem to have acted in the spirit of this recommendation. The powers given to the Labour Officer are not sufficient to induce the workers to place confidence in him. His functions must be clearly defined and he must have a position of greater responsibility than at present. Recruitment of labour must be his exclusive concern. He must be empowered to take effective measures to stamp out corruption and bribery. He must see that senior and efficient workers are promoted and only new workers are sent away, when retrenchment becomes necessary. He must see that the standing orders as regards leave, dismissals and other matters are properly carried out.

In his evidence before us, Mr. P. B. Advani, the Director of Industries, made an interesting suggestion that the appointment of a personnel manager in each unit of the industry was essential for improving the system of recruitment of labour. The appointment of a personnel manager is essential not merely for improving the system of recruitment of labour but also for promoting efficient and smooth working of, and ensuring peace and goodwill in, the industry. In many Western countries it is being increasingly realized that the success of every unit of industry depends on the extent to which technological and human factors are co-ordinated and that the development of the technique for the administration of human relations is not less important than the scientific organization and direction of the material forces of production and distribution. What is, therefore, called a personnel department is a feature of many industries in these countries. The task of the head of this department, the personnel manager, is to advise on all matters touching human relations. "Since the human factor is the main agency through which all the processes of production are carried out, the head executive does not release his control over personnel policies and functions. He merely delegates his responsibility in these matters to a specialist who knows the industry, is familiar with the problems of the working forces as well as with the problems of management, understands clearly the objectives of the Company's

program of labor relations and appreciates the needs and desires of the workers. The personnel job, then, is not separable from other jobs, since problems of personnel exist in every department and employees are linked up with every phase of the enterprise."[1] The administration of industrial relations is most successful in those industrial units where the responsibilities and authority of the personnel department are definite and fixed and instructions and directions issued by it are accepted without question and faithfully observed by other departments and where every attempt is made to co-ordinate its activities with those of other departments. Thus methods of paying wages and planning of work are often determined jointly by the production and personnel departments. The reasons for the creation of a personnel department are many. In the first place, those in charge of production are apt to neglect the human factor and to devote their attention more to obtaining maximum production at the lowest cost. It is one of the responsibilities of the personnel executive to cultivate the goodwill of the workers and thus induce them to respond to the demand for increased output, elimination of waste and reduction of cost. Again, it is seldom that heads of departments consider the effect which the measures they adopt for securing immediate efficiency may have on the workers. The personnel manager, however, has to give special attention to this aspect of industrial relations and he strives to secure the introduction of only such changes as are beneficial to the workers as well as the industry. " The average employer in an industrial dispute manifests an appalling ignorance of the basic philosophy and psychological motivation behind the labor movement. His idea of the radical implications of unionism is usually a gross misconception; he sees red and revolution in every strike and boycott and obstinately refuses to examine dispassionately the possible causes of discontent. His conscience is invariably eased by his readiness to attribute all unrest among his employees to the activities of the ' outside agitator '. His is an attitude of ' Management can do no wrong '."[2] A personnel manager provides the corrective by giving the necessary emphasis to, and by truly interpreting, the workers point of view. Antiquated notions of prestige and discipline frequently lead to unjust punishment and wrong dismissal of workers. Such injustice can, to a large extent, be avoided by a personnel manager empowered to deal with grievances and to represent the view of the workers.

The success of the personnel manager mainly depends on the official status he enjoys. Recently the tendency in Western countries has been to raise his status and extend his authority and power, and, in some places, he plays an increasingly important part in determining changes in rates of wages, hours of work, conditions of employment, schemes of training and redress of grievances. A high status and the authority which goes with such a status are necessary so that he may be able to give his judgment in an independent manner, and it is only when he

(1) " The Management of Labor Relations ", Watkins and Dodd, 1938, page 55.

(2) Ibid., page 67.

can express his judgment independently that he will be able to inspire confidence among the workers and to win their goodwill.

If the purpose which the Millowners' Association, Bombay, has in view in embarking on the experiment of appointing Labour Officers is to be achieved, we suggest that the status and authority of these officers should progressively approximate to those of personnel officers in Western countries and that such officers should be appointed in all mills in the Province. The advantages, both to the industry and the workers, of the appointment of such officers are many. But these advantages will be secured only if competent men, with a sympathetic understanding of the needs of the workers as well as a clear perception of the interests of the industry, are appointed to the posts. The services which these officers can render will, however, be invaluable only if their work supplements the legitimate activities of trade unions and is not intended to be a substitute for them.

In Bombay, as has already been pointed out, a special sub-committee of managers of mills meets at frequent intervals and discusses questions affecting labour and its recommendations, we are informed, are usually given effect to by individual mills. A suggestion has been made that the labour officers of the mills as well as the Labour Officer of the Millowners' Association should meet periodically to exchange views and recommend new policies and practices calculated to improve the lot of the workers as well as their relations with the employers. If the Government Labour Officer and the representatives of trade unions are also invited to this conference, their contribution to its deliberations will certainly be very helpful and the value of the conference itself will be considerably enhanced.

JOBBERS.

Describing the system of the employment of jobbers in Indian factories, the Royal Commission on Labour in India says: "The jobber. . . . is almost ubiquitous in the Indian factory system and usually combines in one person a formidable series of functions. He is primarily a chargeman. Promoted from the ranks after full experience of the factory, he is responsible for the supervision of labour while at work. . . . He has also, on many occasions, to act as assistant mechanic, and to help in keeping the machines in running order. So far as the worker is given technical training, the jobber is expected to provide it. He is not, however, merely responsible for the worker once he has obtained work; the worker has generally to approach him to secure a job, and is nearly always dependent on him for the security of that job as well as for a transfer to a better one. . . . As important as any of these functions is the duty which the jobbers perform in their capacity as intermediaries between employer and employee. It is to the jobbers that the employer generally goes when he wishes to notify a change to the workers; it is from the jobbers that he derives most of his information regarding their needs and

desires."[1] Since the publication of the Report of the Royal Commission, the Millowners' Association, Bombay, claims to have restricted the influence of the jobber by transferring from him to the manager and departmental heads the powers of engaging and dismissing men and of inflicting fines and granting leave. But the action taken in this behalf does not seem to have been effective and the jobber still continues to be the main instrument of labour management.

The Textile Labour Association, Ahmedabad, states that the jobbers as a class do not possess adequate calibre, status, education and competence for the authority and influence which they exercise. Because the jobber is constantly in direct and intimate contact with the workers, his position in the industry is very important and it is obvious that he must be worthy of that position and capable not merely of securing the best results from the adoption of scientific methods of management, but also of winning the goodwill of the workers on which the efficiency of production largely depends. If his work is to be done well, it is necessary that, apart from having received a reasonably general education and technical training, he must be an expert in the handling of men as well as in the technique of production. He has his place in the industry provided he has nothing to do with the recruitment, dismissal or promotion of workers and the granting of leave to them.

Usually the jobber is a senior workman who is promoted to his post on account of his experience and he receives no special training for his work. A few jobbers in Bombay have attended or attend the Textile Technical School conducted by the Social Service League, Bombay. If training courses for jobbers are organized as is done in some other countries, the usefulness of the jobber to the industry will be considerably enhanced. In the United States of America training courses for supervisory staff are grouped into three divisions: "Informational and inspirational courses, the aim of which is primarily to disseminate certain lines of information and to stimulate interest in the job; organization courses, designed chiefly for the purpose of teaching foremen to organize, classify and clarify the knowledge which is already theirs by virtue of many years' experience; and problem courses, the purpose of which is to examine critically the difficult problems of human supervision which the foreman faces in the daily routine of his duties."[2]

In 1935 the Millowners' Association, Bombay, introduced a system of record cards for all head jobbers and women supervisors employed in member mills in the city. These cards contained all the essential particulars regarding the head jobber's past experience, the reason for leaving

(1) "Report of the Royal Commission on Labour in India", 1931, page 23.

(2) "The Management of Labour Relations", Watkins and Dodd, 1938, page 441.

his previous employer, technical and other qualifications and address. These record cards were maintained at the Association's office and their main purpose was to serve as a source of information regarding a man's qualifications when he applied for a head jobber's post in another mill. Member mills were asked to consult the Association before appointing a head jobber or a woman supervisor. After a year's experience of this system, it was extended to all assistant head jobbers. With a view to keeping the information contained in the cards up-to-date, mills are instructed to inform the Association whenever a jobber or woman supervisor is dismissed from service or resigns. As the record cards contain the reasons why a jobber has resigned or been dismissed from service, they serve as a deterrent against corruption and bribery provided, of course, mills do not engage jobbers who have been dismissed by another mill for taking bribes. We suggest that this system of record cards may also be adopted in other centres of the textile industry in the Province.

WOMEN SUPERVISORS.

What has been stated about jobbers holds good, to a large extent, of women supervisors also. These supervisors are recruited in the same manner as the jobbers and exercise similar authority over women workers as the jobbers do over men workers. With very few exceptions, these supervisors are uneducated and untrained. We suggest that in future women supervisors should go through courses of training similar to those which we have proposed for jobbers.

BRIBERY AND CORRUPTION.

Bribery and corruption are not peculiar to the textile industry. They prevail in other industries and in public departments also. The representatives of employers, who appeared before us, urged that every possible effort was being made to combat these evils. In 1928 the Millowners' Association, Bombay, replaced the varying rules and regulations which then existed in different mills by uniform standing orders approved of by the Bombay Strike Enquiry Committee. These were calculated, as claimed by the Association, to protect workers from unjust harassment, to offer opportunities of promotion, to afford a certain security of tenure and to give the assurance that they would not be discharged or dismissed except for adequate reasons. But to formulate a set of rules is one thing, to see that the rules are strictly observed in the spirit as well as in the letter is quite a different thing. As admitted by the Association itself, " old customs, however, die hard and practical experience showed that only a nominal transfer of power (from the jobber) had been achieved by the 1928 Standing Orders, and it was not until after the introduction of the 'Badli' control scheme. . . . that the Jobber's malign influence was seriously diminished."[1] We are informed that in Bombay when a complaint for bribery is received by a mill manager, the Government Labour Officer or the Millowners' Association's Labour Officer, an inquiry is

[1] " Welfare of the Cotton Mill Worker : Policy of the Millowners' Association, Bombay ", 1937, page 13.

held, the evidence of either side is carefully sifted, and, if the guilt of the accused is established, dismissal invariably follows. It is also pointed out that the introduction of service cards for all head jobbers, jobbers and weaving line jobbers has, to a considerable extent, discouraged the tendency to extort bribes. The most important step towards eradicating bribery and corruption must be the complete dissociation of the jobber from the work of recruitment and dismissal.

Employment Exchanges.

In 1921 the Indian Legislature ratified the Unemployment Convention adopted by the First Session of the International Labour Conference which was held in Washington in 1919. Recognizing the importance of public employment agencies as one of the means of "preventing or providing against unemployment," the Conference had adopted the following Article:

> "Each member which ratifies this Convention shall establish a system of free public employment agencies under the control of a central authority. Committees, which shall include representatives of employers and of workers, shall be appointed to advise on matters concerning the carrying on of these agencies.
>
> "Where both public and private free employment agencies exist, steps shall be taken to co-ordinate the operations of such agencies on a national scale.
>
> "The operations of the various national systems shall be co-ordinated by the International Labour Office in agreement with the countries concerned."

In spite of its ratification by the Indian Central Legislature, no action has yet been taken either by the Government of India or by any Provincial Government to implement this Convention. The trend of the evidence given before us was generally in favour of the establishment of public exchanges as an important means of removing the existing defects of recruitment of labour for the cotton textile industry. The representatives of the Bombay Provincial Trade Union Congress advocated the organization of labour exchanges and so did the Textile Labour Association of Ahmedabad and the spokesmen of the Sholapur Labour Union. The Government Labour Officer strongly urged the necessity of a central labour exchange in Bombay and the Director of Industries also supported the idea. Mr. N. M. Joshi thought that some experiment in the way of starting an exchange might be made. The Ahmedabad Millowners' Association, which had itself started a labour exchange as an experimental measure in 1936, stated that if Government sponsored a scheme for a labour exchange, it would extend the fullest co-operation in carrying it out. Mr. Kasturbhai Lalbhai, representing the Association, expressed himself in favour of a labour exchange started by Government and Mr. Ambalal Sarabhai suggested that recruitment through an exchange conducted by Government should be made compulsory and that on the executive committee of that exchange employers and employees, among

others, should be represented. Mr. J. F. Gennings, the late Commissioner of Labour, and the spokesmen of the Millowners' Association, Bombay, however, expressed doubts about the need for and the success of a labour exchange. Mr. Gennings thought that the institution of a labour exchange would not be worth the expense and trouble involved and that, if the object was to eliminate the exaction of bribery by the jobber, it would be frustrated because it would be possible for the latter to veto the selection of the workers who would not agree to bribe him. As we have suggested that the jobbers should have nothing to do with the selection of men, the objection urged by Mr. Gennings loses much of its force.

The spokesmen of the Millowners' Association, Bombay, considered that the establishment of a labour exchange was neither necessary nor desirable. It was not necessary because the *badli* control system was, in their view, working satisfactorily. It was not desirable because it would be more difficult to work and would involve waste of time in securing recruits. Even accepting the view of the millowners that the *badli* control system has been working satisfactorily, it cannot be denied that it has disadvantages as well as advantages. The system prevents the *badlis* holding cards in one mill from securing employment in other mills where there may be vacancies. It necessitates, on an average, a larger body of surplus labour being attached to each mill. Another argument that is urged is that while under the *badli* control system the *badlis* are present at the mill gate every day, considerable time would be wasted in getting workers from the exchange to the mills and that this would result in loss of production. This is not an insuperable difficulty and can be met by locating the branches or offices of the exchange as near the mills as possible. Besides, as Mr. Pryde pointed out, if a man got work through the agency of an exchange, he could only hope to work as a *badli* at first and would be required to turn up at the mill gate every day until he secured a permanent job. Though the representatives of employers in Bombay did not consider it necessary to depart from the present system of recruitment of labour, Mr. Stones admitted that if a *badli* control system could be organized to function well, there was no reason why a labour exchange should not function equally well and he added that he would not refuse co-operation if an exchange was established.

The need for and the advantages of an employment exchange are clearly emphasized by the Ahmedabad Millowners' Association in its Labour Exchange Scheme which was circulated to its member mills in 1936. The following is a passage from a note giving a description of the scheme: "The object of a Labour Exchange generally is to adjust the supply and the demand of labour by creating a machinery through which the employer and the employee would come into contact and suitable and deserving persons obtained for existing vacancies at right time. An Exchange also.....eliminates the evil of bribery. A third use is to make statistics of unemployment available which serves as an economic barometer indicating the ups and downs of industrial fluctuations." After referring to the fact that many countries in the West and

Japan in the East have resorted with success to employment exchanges and emphasizing that Japan's case is very similar to that of India because, like the jobber the " oya bun " deducted 10 to 14 per cent. of wages of men under him, the note proceeds to state : " This evil has been checked very successfully by the Labour Exchange. This could be seen from the fact that the average number of workers who applied for vacancies in the course of a single year was 60 lakhs. Similarly, employers have also discovered these exchanges to be very useful and 59 lakh vacancies were notified through the exchange in 1930 representing a 40 per cent. increase over figures of the previous year. These statistics prove that the Labour Employment Exchange is popular both with the employers and the workers. The entire system in Japan is controlled by the Central Employment Exchange Board in Tokio. The work of the exchange is co-ordinated by local exchange centres." It is, however, not merely in Japan that employment exchanges have made remarkable progress. In Europe and America also their success has been a pronounced one, especially in recent years. " The organization of employment exchanges as a gratuitous social service under public control is now part of the industrial policy of most European states and of many states outside Europe."(1)

The progress which employment exchanges have made in European and other countries is a measure of the need for organizing what may be called the labour market. These exchanges do not reduce unemployment, but, by pooling labour supply, they secure its most economical distribution and considerably reduce the aimless wandering from place to place of men out of work. There are other functions which employment exchanges can perform such as controlling the administration of unemployment insurance and affording vocational guidance to young persons. Not the least important service which they can render is that of the collection of statistics. " If careful records of all applicants for work and of all applications for help are kept and adequately analysed and studied by a corps of statisticians, a system of public employment offices provides answers to important questions as to excesses and deficiencies in the labor supply in different trades, as to types of training needed, as to employability, etc."(2)

Apart from the fact that India has already ratified the Unemployment Convention, the experience of other countries suggests that a beginning should be made in large industrial centres in this country in organizing employment exchanges. Bombay, Ahmedabad and Sholapur, in our Province, are, in our view, suitable centres for initiating this experiment. We, therefore, recommend that employment exchanges should be organized by Government in these centres. The exchanges should organize the labour supply for all industries, including Government factories and workshops, but they will, obviously, be most useful to the textile industry. For centres other than Bombay, Ahmedabad and Sholapur we recommend the extension of the *badli* control system.

(1) " Encyclopædia of the Social Sciences ", Volume V, page 519.

(2) " Labor's Risks and Social Insurance ", Millis and Montgomery, 1938, page 68.

The Unemployment Convention passed by the First Session of the International Labour Conference and ratified by the Government of India laid down that committees, including representatives of employers and of workers, should be appointed to advise on matters concerning the administration of public exchanges. The representation of employers and workers secures impartiality and efficiency of administration and is a regular feature of the constitution of exchanges in many countries. In Great Britain advisory committees appointed by the Minister of Labour are attached to all exchanges. These committees consist of an equal number of representatives of employers and workers, with certain other persons (representatives of local authorities and other local institutions and persons with special knowledge or experience), the latter not exceeding one-third of the total membership of the committees. The chairman is nominated by the Minister of Labour. According to the Ahmedabad Millowners' Association, its scheme of an employment exchange had to be abandoned for want of adequate co-operation on the part of the Textile Labour Association. The representatives of the Textile Labour Association, Ahmedabad, however, stated that the scheme failed because labour had not been given any share in its management and control. As the Convention passed by the International Labour Conference stipulates and as the experience of other countries shows, equal participation by representatives of employers and employees in the management of the employment exchanges is essential for their success. We, therefore, recommend that a local committee on which both the employers and the workers are represented should be associated with each of the exchanges to be established in Bombay, Ahmedabad and Sholapur.

Training of Workers.

Among employers in the textile industry in this Province, as among employers in most other industries in India and elsewhere, a belief is current that workers are not as efficient as they ought to be. If there is any justification for this belief, the responsibility for the present state of things rests more upon the shoulders of the State and the employers than upon those of the workers. If the work of the average operative in the textile industry in this Province does not come up to a very high standard of efficiency, the reason is that little or no attempt is made to equip him properly through training. Proper industrial training can be based only on the foundation of literacy and the workers in the textile industry in this Province as those in almost all other industries are, as a class, illiterate. Except in some places, there is no system of universal compulsory education in India as there is in many other industrial countries. If primary education has been, until recently, neglected, facilities for technical training have been most inadequate, and no attempt is made to teach workers in the factories themselves. The worker has to shift for himself to obtain training.

Mr. Maloney, in the course of his evidence before us, stated that the Millowners' Association, Bombay, had constantly been discussing how the mills could get adequately trained beginners in the industry. They

had to engage, he added, raw persons on many occasions and if the difficulty of getting trained men was eliminated, the industry would benefit a great deal. Describing how weavers were recruited in the mills at Ahmedabad, Mr. Kasturbhai Lalbhai said: "Any raw person who comes from a town or village, if he happens to be a relation of a weaver already in service, is taken into the mill and whatever knowledge he picks up in the mill enables him to be a weaver in four or six months. All the training he gets his at our cost." Mr. Kasturbhai added that as the learner was engaged as a full-time worker, efficiency suffered considerably. The Indian Merchants' Chamber in its memorandum submitted to us urged that the chief problem with labour was education. In spite, however, of the realization of the importance of training for increasing the efficiency of the worker, the practical steps taken by industrialists to supply the required facilities are meagre and no institutions for imparting such training are being conducted by them.

In Bombay City, apart from the Victoria Jubilee Technical Institute, training for workers in textile mills is mainly provided by the Textile Technical School conducted by the Social Service League and the Mahomed Haji Saboo Siddik Industrial and Technical Institution. In the Social Service League School, which was started fifteen years ago, only those who are actually employed in the mills or have had experience of mill work and have completed at least four standards in Marathi are admitted as students. The classes are held in the evening for the convenience of workers and fees varying from eight annas to one rupee are charged. The medium of instruction is Marathi and the students are given lessons in theory and practice according to a syllabus prepared by experts. The course is divided into two sections, spinning and weaving, each section requiring three years' training. The Millowners' Association has recognized the training received in this school as a qualification for promotion in employment. The average monthly number of students on the roll of this school during 1938 was 211, the average daily attendance being 163. A number of mills pay regular attendance scholarships to their workers attending this school. The school received during the year grants of Rs. 1,383 from the Committee of Direction for Technical Education in Bombay Province and of Rs. 300 from the Municipality as well as donations from the Millowners' Association and some mills. The Mahomed Haji Saboo Siddik Industrial and Technical Institution is of more recent origin. One department of this institution imparts free instruction in cotton weaving technology to Muslim boys who have passed the fourth primary standard and who are below sixteen years of age. The classes have a total accommodation for 30 boys and a few paying students belonging to other communities are also admitted. Textile apprentice classes were started by the Victoria Jubilee Technical Institute, Matunga, in 1923. They offer a two-year course in cotton spinning and weaving. The Sassoon Polytechnical School is another institution where persons are trained for lower grade posts. These institutions and classes, though they render useful service in their own sphere, can hardly be said to offer an adequate solution of the problem of providing technical training for the large number of persons employed in the cotton textile industry in Bombay.

The R. C. Technical Institute, at Ahmedabad teaches, among other subjects, cotton spinning and weaving. The course is of three years' duration. In addition to the regular course, the Institute has now made provision for the training of apprentices under the apprenticeship scheme of the Director of Industries. The apprentices working in industrial establishments attend the evening classes at the Institute. The Sholapur Municipality conducts a small technical school which is supported by the mills in that city. The school offers a three-year course in lower grade cotton weaving on the successful completion of which certificates are issued by the Committee of Direction for Technical Education. Two out of the five mills in Sholapur grant scholarships to those of their workers who attend this school. Considering the Province as a whole, it may be stated that the opportunities for textile workers to obtain technical training are limited and we think that the need for expanding the facilities for such training where they exist and providing them where they do not exist is urgent.

VOCATIONAL EDUCATION.

Vocational education has, in recent years, made great progress in most industrial countries. The prevailing view in Western countries today is that the interests both of the individual and the nation demand that public authorities should provide vocational as well as general education. "In no country has the problem been so simplified as in the Soviet Union, where vocational education is definitely coordinated with a planned economy. Not only has socially useful labor been made a constituent part of education, but all education above the primary has been vocationalized. Its organization includes lower vocational schools based on four years of primary school; factory and technical schools offering two and three-year courses above the seven-year schools for training skilled workers, administrative personnel and technical staff; and industrial academies and higher institutes, with two to five-year courses on a foundation of ten years of education."[1] Vocational education in this Province and in India generally is of recent origin. In January 1938 the Government of Bombay appointed a Committee to advise them on the question of vocational training for boys and girls in primary and secondary schools in the Province. The Committee put forward a scheme of primary and secondary education with a substantial practical bias, but it recognized that the majority of pupils completing primary education would be compelled by force of circumstances to seek employment and that it was highly questionable if immature boys and girls at the tender age of 14 to 16 would be sufficiently equipped educationally for the requirements of the complex modern age. It, therefore, recommended that part-time classes for continuation or vocational education of those who could not avail themselves of education in day or full-time schools should be organized as suggested in the Abbot-Wood Report, wherever there was demand for them. The Committee also recognized that a complementary system of specialized vocational education was necessary particularly

[1] "Encyclopædia of the Social Sciences", Volume XV, page 274.

for the benefit of those who had to leave school at the end of primary and secondary stages or in the middle of the secondary stage. Hence it considered it essential that Government should establish an adequate number of specialized vocational, industrial, trade and technical institutions. We agree with the Committee that the main requirements of organized industry in respect of skilled workers and supervisory grades can be met only by establishing specialized industrial and technical institutions. We, therefore, recommend that such institutions and also continuation classes should be established by Government and that the employers should be called upon to contribute to their cost. We also recommend that workers, who obtain training in such institutions, should be given preference whenever new employees are engaged by the mills. If the facilities for such training are adequate, they would gradually ensure that all those who wish to be employed in the textile industry will have obtained the necessary technical training. The importance of active public interest in the problems of vocational education and industrial training is thus emphasized by the Federal Board for Vocational Education (U. S. A.: "Society as a whole has to pay the bill for labor inefficiency. Half-trained or poorly-trained workers in any field increase production costs, which in turn are passed on to the consumer. Clearly the public, laborers as well as others, have an interest in securing an adequate supply of well-trained workers for every line of necessary work."[1]

Experience in other industrial countries, however, has shown that vocational education, including part-time continuation instruction, can be only a supplement to and not a substitute for training in industry. In America, generally two methods of training prevail—training through actual day-to-day work in the factory itself and training in rooms separate from the factory but equipped with all the tools and machines necessary for successful instruction in processes of production. It has been found by experience that the latter method is the more successful of the two. For several years to come the majority of workers in the textile industry will not have passed through the vocational or technical schools. This fact should induce employers in the interests of the industry to follow the example of their confrères in America and some other countries who meet the need for industrial training by maintaining apprenticeship schools and classes for general educational courses in their own factories.

APPRENTICESHIP SYSTEM.

The Director of Industries, Bombay, in his memorandum submitted to us expressed the view that better training of workers could be secured by the adoption of a scheme of apprenticeship training such as the one that had been recently organized by his department on a modest scale. This scheme, which covers boys who have read up to the matriculation standard, would, he added, ordinarily produce skilled workers, but in

(1) "Apprentice Education", United States Printing Office, Bulletin 87, June 1923, page 60.

order to have duly qualified persons for the supervisory posts it was necessary to promote technical education. The object of the Government scheme is mainly to produce skilled operatives some of whom may rise to be supervisors and heads of departments. Some mills have their own system of apprenticeship the object of which is to train up men for higher post. Graduates or other properly qualified students are engaged by the mills for this purpose and the evidence of representatives of millowners showed that wherever this practice had been followed, it had been attended with success. We suggest that in the interest of the industry it should be more widely followed than it is at present. The advantages to the industry of this system as well as of the scheme introduced by the Director of Industries are evident. But, from the point of view of the average industrial worker, there is one drawback in both these systems which cannot be overlooked. For, the greater the importation of the outside educated element in the higher grades in the industry the lesser would be the scope for promotion of the ordinary worker. There are in the industry many persons holding high posts who have risen from the ranks. It is to the good of the industry that the number of such men should increase. In other countries the continuous flow of workers from the ranks to the higher grades in industry maintains it at a high level of efficiency. As the Royal Commission on Labour in India observed : " As a rule the successful supervisor should know the workman's task, not by observation, but through intimate experience as a workman. A mere knowledge of the processes and machines is insufficient ; there must be that deeper, almost psychological, knowledge which evades definition, but which is born of sharing the mentality and the life of the operative. The deep cleavage between the ranks and the supervisory grades in Indian industry is a constant source of weakness."[1] The weakness to which the Royal Commission referred can be remedied only by offering adequate opportunities to the workers in the factories to obtain such training as would make them better and more skilled workmen and supervisors. Such systems of training obtain in many industrial countries and, as we have pointed out above, the employers recognize their obligations to workers and the industry to provide such training for different departments. As recently as in March 1939, the Government of Japan issued Decrees requiring employers in certain industries, where there was an increasing need of guarding against shortage of skilled workers, to introduce at their expense three-year courses of technical training for a certain proportion of their workers between 14 and 17 years of age. The training time was to be included in the normal working hours. A feature of the evidence given before us by representatives of employers was the emphasis laid by them on the low efficiency of the average worker and, in some centres, on the shortage of skilled labour. We see no reason why the employers in the cotton textile industry of this Province should not provide some facilities for the training of a certain proportion of their workers in a manner similar to that accepted in Japan.

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[1] " Report of the Royal Commission on Labour in India ", 1931, page 29.

Security of Employment and Dismissals.

There is no fear which haunts an industrial worker more constantly than the fear of losing his job as there is nothing which he prizes more than economic security. The fear of being summarily dismissed for even a slight breach of rules of discipline or for interesting himself in trade union activity disturbs his peace of mind. It is a notorious fact that dismissals of workers have been the originating causes of not a few industrial disputes and strikes. The provision of effective safeguards against unjust and wrong dismissals is, therefore, in the interest as much of the industry as of the workers. Before the Bombay Strike Enquiry Committee of 1928-29 was appointed, the rules and regulations regarding dismissals of workers as well as conditions of employment, work and payment generally varied in Bombay from mill to mill. One of the important tasks before that Committee was to standardize these rules and regulations. The Committee prepared a set of standard standing orders based on one submitted by the Millowners' Association, Bombay, and these orders were adopted by the Association in 1929. The standing orders were altered in 1935 to bring them into conformity with the provisions of the Payment of Wages Act, 1936. Similar standing orders had, however, not been framed for Ahmedabad and other centres.

It was revealed after the introduction of the Bombay Trade Disputes Conciliation Act of 1934 that a very large number of cases dealt with by the Government Labour Officer related to complaints of wrongful dismissal and in most of these the workers alleged that they had been dismissed unfairly. It was contended on behalf of the millowners that, as a result of their efforts to prevent unfair dismissals and to secure strict observance of the provisions of the standing orders, the number of complaints had been reduced to negligible proportions. The trend of evidence on behalf of the workers submitted to us in Bombay, however, was that these complaints were still numerous though not all of them were investigated and that there were instances of workers having been dismissed for participating in trade union activities. It was also stated that the workers were, in several cases, dismissed by the jobbers, that the sanction of the manager was a mere formality and that this power of dismissal which the jobbers continued to enjoy was a perennial source of corruption and bribery. Lastly, the standing orders in force till 1939 did not, in all cases, provide for the worker being informed about the details of his alleged misconduct or for the circumstances alleged against him being explained to him. The application of the Bombay Industrial Disputes Act, 1938, to the cotton textile industry with effect from June 1939 necessitated the framing of a set of standing orders in accordance with the provisions of section 26 of the Act. Different associations and units submitted draft orders to the Commissioner of Labour who settled them. Appeals against a number of the orders settled by the Commissioner of Labour were filed before the Industrial Court which has now framed a uniform set of orders for most cotton textile mills in this Province. Standing Order No. 22 of the set of orders settled by the Industrial Court for cotton mills in

Bombay lays down the procedure in connection with suspensions and dismissals of workers found guilty of misconduct. This order reads as follows:

"22. (*i*) An operative may be suspended for a period not exceeding four days or dismissed without notice or any compensation in lieu of notice if he is found to be guilty of misconduct.

"The order of suspension shall be in writing and may take effect immediately on communication thereof to the operative. Such order shall set out in detail the alleged misconduct and the operative shall be given an opportunity of explaining the circumstances alleged against him. If on enquiry the order is confirmed or modified, the operative shall be deemed to be absent from duty for the period of suspension and shall not be entitled to any remuneration for such period. If, however, the order is rescinded, the operative shall be deemed to be on duty during the full period of suspension and shall be entitled to the same wages as he would have received if he had not been suspended.

"No order of dismissal shall be made unless the operative concerned is informed in writing of the alleged misconduct and is given an opportunity to explain the circumstances alleged against him.

"In awarding punishment under this Standing Order the Manager shall take into account the gravity of the misconduct, the previous record, if any, of the operative and any other extenuating or aggravating circumstances that may exist.

"(*ii*) A copy of the order made by the Manager shall be supplied to the operative concerned."

The new Standing Order thus remedies a defect in the old orders by providing safeguards against wrongful suspensions and dismissals. Section 64 of the Bombay Industrial Disputes Act, 1938, protects workers against dismissal for participation in trade union activities or in strikes which are not illegal.

Labour Courts.

The Bombay Industrial Disputes Act, 1938, provides machinery for the "peaceful and amicable settlement of industrial disputes." But this machinery, so far as the redress of grievances of individual workers is concerned, is dilatory and apt to be inconclusive. For instance, a worker, who has been dismissed, cannot have this machinery brought into operation unless a notice is given by him to the employer through the representative of the employees who has also to forward a copy of the notice to the Commissioner of Labour, the Chief Conciliator, the Registrar, the Labour Officer and such other persons as may be prescribed. If within fifteen days of the notice no agreement is arrived at between the parties, the matter has to go to the Conciliator. During the pendency of the proceedings before the Conciliator, the Government may, and, if both the parties agree either prior to the commencement of the proceedings or after failure of the Conciliator to bring about a settlement, shall refer the dispute to a Board of Conciliation. The total period for all stages of conciliation proceedings must not ordinarily exceed two months. If the worker is a member of a registered union and if the

latter has entered into an agreement with the employer to submit disputes to arbitration, the question of his dismissal may be referred to arbitration or to the Industrial Court if an arbitrator cannot be appointed. While the conclusions of the Conciliator or the Conciliation Board are not binding on the parties, those of the Arbitrator or the Industrial Court are. If the worker is a member of a trade union which satisfies the conditions laid down under the Act, the union will carry on negotiations on his behalf before the Conciliator or Conciliation Board or represent his case before the Arbitrator or the Industrial Court. If there is no such union in existence, this work has to be done by such representatives, not being more than five, as may be elected by the employees from among themselves. If such representatives are not elected, the Labour Officer would represent the worker.

Whatever the merits of the machinery provided by the Bombay Industrial Disputes Act, 1938, for settling disputes of a complicated nature affecting a large number of workers, it is obviously not the most suitable one for deciding whether injustice has been done in individual cases such as those of dismissals. For such matters the creation of a speedier and more conclusive machinery is desirable. Many western countries have found it indispensable to establish special labour courts to hear and dispose of labour disputes, as such courts involve less delay and less expense for litigants than proceedings before the regular courts. Labour courts are tribunals composed of an equal number of employers and workers. In some countries the chairman is appointed by Government and in some others by the State judicial authorities and he is usually a judge. As one of the objects of special labour courts is to reduce the cost of proceedings, the expenditure involved in their working is defrayed in some countries by the State, in some by the municipalities and in some others by trade chambers. Generally, there is no stamp duty on the documents relating to the judicial procedure before the courts, nor is there a registration fee for the legal validation of agreements arrived at by mutual understanding between the parties. The procedure, again, is simplified. In practically all countries, the parties to a dispute may go direct before the court or the clerk of the court to lay their complaints orally. The whole procedure is oral and not only are the parties allowed to appear in person to represent their case but, usually, it is their duty to appear in person before the chairman of the court who endeavours to settle the matter by amicable arrangement. In fact, a distinct feature of the labour court is the importance attached to the conciliation efforts which must be made as a preliminary to the trial of a dispute by judicial process. Labour courts exist in twenty-three countries. "History shows that no country which tried the experiment ever abandoned it altogether. On the contrary, the changes made were nearly always designed to extend the jurisdiction of the special labour tribunals, and in certain countries they handle practically all cases of friction affecting employment relationships."[1] Labour courts constituted on the lines indicated above will secure speedy and definite disposal of complaints from workers as well

(1) "Labour Courts"—International Labour Office Studies and Reports, Series A (Industrial Relations), No. 40, 1938, page 54.

as employers and we recommend that Government should consider the advisability and feasibility of the early establishment of such courts in this Province.

Provision for Leave.

The facility of obtaining long leave at periodic intervals is an indispensable condition of the stability and contentment of the labour force. Leave affords a break in a long period of physical and mental strain and provides necessary opportunities for rest, change and recuperation, apart from enabling a large number of workers to go to their native places or to give special attention to the needs of their domestic or social life. Standing orders numbers 11 and 12 framed by the Industrial Court for cotton mills in Bombay City make the following provision in the matter of leave:

"11. Service for a total period of 12 months in a mill shall qualify an operative for a total period of one month's leave. Grant of such leave shall depend on the exigencies of the mill and shall be at the discretion of the Company.

"Any operative who desires to obtain leave of absence shall apply to an officer or officers appointed for the purpose by the Company. It shall be the duty of such officer or officers to obtain the orders, on such application, of the authority appointed by the Company on two days in a week fixed for the purpose; provided that if the leave applied for is of an urgent nature, that is, to commence on the date of the application or within three days thereof, the orders of the authority empowered to grant leave shall be obtained without any delay. If the leave asked for is granted, a leave pass shall be issued to the operative. If, however, the leave is refused or postponed, the fact of such refusal or postponement and the reasons therefor shall be recorded in writing in a register to be maintained for the purpose, and if the operative so desires a copy of such entry in the register shall be supplied to him. If the operative after proceeding on leave desires an extension thereof he shall make an application for the purpose to the authority granting leave either in writing or orally or through any other person. In any case, a written reply either of the grant or refusal of extension of leave shall be sent to the operative if his address is available and if such reply is likely to reach him before the expiry of the leave originally granted to him.

"If the operative remains absent beyond the period of leave originally granted or subsequently extended, he shall lose his lien on his appointment unless he (1) returns within eight days of the expiry of the leave and (2) gives explanation to the satisfaction of the authority granting leave of his inability to return before the expiry of leave. In case the operative loses his lien on the appointment, he shall be entitled to be kept on the 'badli' list.

"12. An operative may be granted casual leave of absence not exceeding 10 days in the aggregate in a calendar year. Such leave shall not be for more than three days at a time except in case of sickness. Such leave is intended to meet special circumstances which

cannot be foreseen. Ordinarily, the previous permission of the head of the department shall be obtained before such leave is taken, but when this is not possible, the head of the department shall as soon as may be practicable be informed in writing of the absence from work and of the probable duration of such absence."

In the existing circumstances we consider that these provisions are adequate.

Promotion and Transfer.

In all progressive industrial countries it is recognized that one of the effective methods of securing contentment among workers and creating loyalty to the organization is the existence of a definite and well-planned system of transfers and promotions. Sometimes a worker may have been wrongly placed in work for which he has less aptitude than for work in another department. It would be fair to him and would also be in the interest of efficiency to transfer him to any other department where he may prove himself to be more useful and competent. There are certain blind alley jobs like those of sweepers in the mills. These jobs offer no promise for the future. Yet some of the men holding them may, if transferred to more promising jobs, prove efficient and improve their prospects. It is only fair that opportunities for such transfers should be available to them. In some cases considerations of health or age may necessitate transfer. The necessity for such transfers becomes imperative specially in those departments of the industry continuous employment in which is hazardous to health.

It is stated on behalf of the millowners that opportunities for promotion in all departments of the mills are provided and permanent or casual vacancies in higher paid posts in a department are filled up from the ranks of permanent workers in it. On the other hand, individual workers who gave evidence before us complained that it was not seldom that the claims of permanent workers were ignored and outsiders were taken in to fill up vacancies. In many cases, where permanent workers were selected, the appointment was the result either of favouritism or bribery. The promotion ladder, in the ordinary course, for a doffer boy in the spinning department should be doffer boy, tarwalla, single sider, double sider and jobber. According to the evidence of representatives of millowners, a doffer boy should not ordinarily take more than two years to become a tarwalla or a single sider. Complaints were, however, made to us by representatives of workers and individual workers that, in not a few cases, doffer boys had to remain doffer boys for many years while outsiders were recruited as tarwallas or single siders. We cannot too strongly emphasize that for promoting efficient management as well as securing a stable and contented labour force it is necessary not only that there should be a properly devised plan of promotion but also that it should be impartially carried out in accordance with rules framed for the purpose. Whilst merit should be the main ground for promotion, the length of service of a worker should not be ignored. As Professor Slichter says : " When workers can see a definite opportunity to advance by demonstrating their ability, they may be expected to take greater interest in the

possibilities of their jobs and not to change readily to others the possibilities of which they do not know. Systematic promotion based upon merit is needed to induce workmen to take a long-run view."[1]

Loitering.

The Royal Commission on Labour in India stated in its report that one of the points stressed before it by employers in the textile industry was the substantial difference between the nominal hours and the hours of actual working. It was emphasized that although in practically every case the operative was then nominally working for ten hours, he spent a considerable part of his time in the compound smoking, loitering or taking his meals. The representatives of the Ahmedabad Millowners' Association told the Commission that the worker actually worked only for seven hours during the day, while the corresponding estimate of the representatives of the Millowners' Association, Bombay, was eight to eight and a half hours. The Commission had no doubt that it was " impossible for the average operative to remain at work regularly through a 10 hour day either in a cotton mill or in any other factory "[2] and in its view the unauthorized intervals were a form of self-defence against overwork. The Commission also emphasized that it was significant that the statements made to it by employers regarding the great difference between nominal and actual hours of work were mainly confined to the cotton mill industry. While not suggesting that loitering was unknown elsewhere, the Commission stated that it was " satisfied that, generally speaking, the short working week is associated with closer attention to work and stricter supervision than the long one"[3] and that, further, " in no case did those workers who were working a short week with stricter discipline suggest that they would like a longer and less intense day or more intervals."[4] The Commission suggested the remedy of shorter hours of work. That remedy has been adopted and the weekly hours of work have since been reduced from 60 to 54. Nevertheless, the complaint about loitering persists and in their evidence before us the representatives of employers, particularly those of Ahmedabad, reiterated the statements made by them before the Royal Commission. According to the Ahmedabad millowners, even now, though the hours of work have been reduced to nine, the workers do not actually work for more than seven to seven and a half hours. Mr. Ambalal Sarabhai reports that, as a result of investigations carried out for a period of three months in the Calico Mills, it was found that the time spent by ring spinners outside their department was, on an average, one hour and twenty minutes out of the nine working hours. It may be argued that the fact that there is still a substantial difference between the nominal hours and actual hours shows that the hours of work have not been sufficiently reduced. In fact, representatives of labour in Ahmedabad, while agreeing that the

(1) " The Turnover of Factory Labor ", Slichter, page 356.
(2) " Report of the Royal Commission on Labour in India ", 1931, page 41.
(3) Ibid., pages 41-42.
(4) Ibid., page 42.

difference exists, plead that a reduction in the hours of work as well as improvement in the conditions of work is essential for the elimination of loitering. They urge that it is difficult for workers to do strenuous work for four to five hours continuously without some rest. In the chapter on Rationalization we have stressed the need for a rest pause of about ten minutes during each continuous period of four to five hours in order to reduce fatigue and to increase efficiency. If such rest pauses are allowed at regular intervals during the shifts and if the conditions of work in the factory are improved on the lines suggested by us elsewhere in this Report, it may be expected that workers will not resort to unauthorized and irregular intervals of rest which at present cause much loss of time. Provided the conditions stipulated by us are satisfied, we would favour stricter regulation of permission to workers to leave their work.

In this connection it is necessary to point out that constant standing while at work causes fatigue and has deleterious effects on the health and efficiency of workers. Work in most departments in a textile mill will be done more efficiently if the workers are provided with stools on which they can occasionally sit and rest. There is every likelihood of this facility reducing fatigue and increasing efficiency. We, therefore, suggest that, wherever possible, stools should be provided for the workers.

Labour Turnover.

An essential condition for the efficient working of every industry or unit of industry is the stability of its labour force. But, for a variety of reasons, industry has to face everywhere the problem of instability of labour which " is regarded by all those who have given any serious consideration to the problem as one of the maladjustments of our industrial life, wasteful and destructive of the potential man-power of the nation and a serious obstacle to the complete utilization of the country's productive forces."(1) Labour turnover measures the extent to which old employees leave and new employees enter the service of an industrial organization in a given period. The success of any organization largely depends on the extent to which it reduces its labour turnover. Some turnover is inevitable in every organization consequent upon illness, old age or death among the workers and changes in the fortunes of industry. Some industrialists may welcome a certain amount of turnover in so far as it results in the accession of new blood. Broadly speaking, labour turnover is due to two main causes—resignation and dismissal. It is the general experience of industry that, in normal times, the turnover due to the former is greater than that due to the

(1) " Labor Turnover in Industry ", P. F. Brissenden and Emil Frankel, 1933, page 1.

latter. According to the Third Report of the General Wage Census published by the Labour Office in 1937, the percentages of labour turnover for particular months during 1934 in cotton textile mills in Bombay and Ahmedabad were 2·59 and 2·64 respectively, while the percentage for Sholapur was 0·93. The census in Sholapur was taken within six weeks of the end of a general strike and this partly accounted for the lower percentage in that centre. According to this report, labour in Sholapur is more stable than in Bombay or Ahmedabad, as it is drawn largely from the neighbouring villages. The average extent of turnover for all cotton mills in the Province was 2·36 per cent. for the census month or 28·32 per cent. for a year. These figures related to "labour turnover" used in the restricted sense of permanent separations and accessions and not in the wider sense of the total extent of change, temporary as well as permanent, in the personnel of a factory over a given period. Separate figures were computed about the substitutes employed in temporary vacancies in the mills. These showed the percentages of substitutes to the total number of persons permanently employed to be 27·78 for Bombay, 21·13 for Ahmedabad and 31·95 for Sholapur for the census month. Taking the Province as a whole, it was revealed that during the month, while the total number of permanent workers was 258,921 as many as 64,341 persons were employed in the industry as temporary substitutes. Though a high rate of turnover exists in all organized industries in India, there are no reliable data available concerning the extent of the turnover. Reliable and adequate records uniformly filled in and accompanied by careful critical analysis are essential and, without these, percentages of labour turnover have little practical value.

It is difficult to measure exactly the cost of excessive labour turnover to the worker and to the employer. The cost to the employer of constant changes in his labour force, involving the employment of new men, is represented by reduced production, more spoilt work and less careful handling of machinery. The worker also suffers by excessive labour turnover. Frequent changes of the place of employment may affect, in the long run, his skill and efficiency besides depriving him of various advantages of continued employment in one concern such as opportunities of promotion.

For a proper solution of the problem of excessive labour turnover it is necessary to examine its causes. We have already referred to two broad causes: resignations and dismissals. Resignation or voluntary quitting by workers is often due to dissatisfaction with wages and working conditions or to the unsympathetic attitude of the management. It may also be due to the difficulty of getting leave. Sickness, old age, the distance of the factory from the home, or family circumstances may, again, lead workers to quit their jobs. Some workers may also be victims of wander-lust or be too restless to remain long in one job or in one factory. Dismissals account for a large amount of labour

turnover. The causes of these dismissals may be, among others, inefficiency, misconduct, breach of discipline or habitual irregularity in attendance. Not seldom are workers dismissed for trade union activities or for having participated in a strike. Labour turnover is also caused by lay-offs which are themselves due mostly to industrial depression, financial difficulties of any particular unit of the industry, introduction of efficiency measures, strikes or lock-outs. Distaste for continuous night work and the irregular working of night shifts are also frequent causes of labour turnover. We have dealt with this aspect of labour turnover in the chapter on Working of Shifts.

Many of the causes of excessive labour turnover are avoidable and the most effective way of reducing it is to remove these causes. Improvement in methods of recruitment is one of the principal remedies for excessive labour turnover. The *badli* control system introduced by the Millowners' Association, Bombay, has to some extent, applied this remedy. But more radical and effective methods such as establishment of employment exchanges, restriction of the powers of the jobber and organization of a personnel department are required and these have been already indicated in the early pages of this chapter. Improvement of working conditions generally along lines indicated in the preceding chapters, adoption of an enlightened policy of management in respect of wages, transfers and promotions, leave and holidays, provision of facilities for education and training, promotion of welfare work, introduction of unemployment and sickness insurance, of gratuities and pensions—all these will contribute to make the labour force more stable than it is at present. Not the least important factors contributing to stability will be the attitude of the employers to workers' organizations and the provision of effective machinery for the ventilation and redress of the grievances of the workers.

Absenteeism.

Another aspect of the instability of labour is absenteeism. There is a definite relation between absenteeism and the absence of systematic provision for holidays and leave. Frequent absenteeism adversely affects both the workers and the industry, but it is not always unavoidable. " In industries where the work is excessively fatiguing, periodical absence from the job constitutes a sort of defence mechanism for the tired workman and tends to prevent an abnormal accumulation of fatigue poisons and a resultant breakdown in health."[1] The following table based on the information supplied by the mills to the Labour Office, shows the extent of absenteeism in cotton textile mills in Bombay, Ahmedabad and Sholapur, during 1938 and 1939 :

(1) " The Management of Labor Relations ", Watkins and Dodd, 1938, pages 259-60.

TABLE No. 77.

Absenteeism in Cotton Textile Mills in Bombay, Ahmedabad and Sholapur.

Year and month.	Percentage Absenteeism.		
	Bombay.	Ahmedabad.	Sholapur.
1938 January	7·48	3·17	10·00
February	7·75	3·28	10·71
March	9·12	3·21	9·83
April	8·60	3·35	10·52
May	9·13	3·78	11·41
June	8·08	3·52	11·02
July	7·63	3·51	10·56
August	7·62	3·55	11·41
September	8·17	3·21	10·86
October	9·01	3·09	11·35
November	8·52	3·16	10·75
December	8·59	2·86	10·28
Annual Average ..	8·30	3·29	10·73
1939 January	8·58	3·13	10·81
February	9·54	3·42	12·00
March	9·48	3·46	11·33
April	9·99	3·61	11·30
May	10·37	3·73	12·74
June	9·79	3·23	10·88
July	10·36	2·99	9·16
August	10·74	2·98	8·47
September	12·01	3·10	8·88
October	13·24	3·32	12·15
November	11·77	3·31	11·71
December	10·56	3·37	10·08
Annual Average ..	10·50	3·30	10·77

Among the causes of absenteeism are fatigue, sickness and industrial accidents. The economic loss to industry and the worker as a result of absenteeism need scarcely be emphasized. Little concerted attempt has been made in this Province to reduce absenteeism or even to study the factors which cause it. It may be stated in general terms that whatever improves conditions of work and life for the employees, whatever leads to the increasing adaptation of the worker to his task and whatever makes him feel contented will lessen his desire or need to leave it for a time and lighten for him and the industry the burden of absenteeism. Sometimes attendance bonuses are offered to discourage absenteeism, but such bonuses have not been found to be effective. Proper conditions of work in the factory, adequate wages, protection

from accident and sickness and facilities for obtaining leave for rest and recuperation constitute the most effective means of reducing absenteeism.

Contract Labour.

A considerable body of workers in cotton mills in Ahmedabad are not directly under the control of the management. In some departments in most of these mills, workers are engaged, discharged and paid wages not by the management but by contractors. The mills keep no record of the wages paid to the men engaged by the contractor who gets a lump sum for the work done. The main advantage of this system, according to the spokesmen of the mills, is that it saves the management the trouble of engaging a large body of unskilled workers and supervising their work. In not a few cases, however, the mill also gains financially as the lump sum paid to the contractor is smaller than the total amount that would be paid to the workers if they were engaged direct by its management. The workers employed by the contractor get lower wages than they would ordinarily get if employed direct by the mills. The advantage claimed for the contract system by the spokesmen of the Ahmedabad millowners is a doubtful one, while its disadvantages are obvious and many. We agree with the view of the Royal Commission on Labour in India that the employment of labour through intermediaries tends generally to diminish the prospect of that labour securing reasonable conditions of work and wages. If the management of the mills do not assume responsibility for such labour, there is every likelihood of its being sweated and exploited by the contractor. One of our colleagues, Mr. Khandubhai Desai, held the view that the contract system involved either reduction of wages or intensification of work. According to him, the wages of *toplawallas* (basket carriers) in Ahmedabad, for instance, were, as a result of the introduction of the contract system, reduced by 30 to 40 per cent. In the drawing-in department in the mills in Ahmedabad the men, whose work requires much skill, were employed under the contract system until October 1938 when, as a result of the threat of a strike by the Gujarat Sarni Kamdar Association, which is composed of workers employed in that department, it was agreed that the contract system should be abolished. In its memorandum submitted to us, the Gujarat Sarni Kamdar Association has urged that the contract system should not be re-introduced in the Ahmedabad mills. Among the grounds urged by it against the contract system are that though the contractor gets a lump sum for the work to be done, he does not pay the workers wages in proportion to the work done by them, that, owing to competition, one contractor bids less for the contract from the mill than another contractor and the wages of the workers have to be reduced in consequence, that there is no security of service, as with the change of contractor the old workers are replaced by the men brought by the new contractor, that the contractor, with a view to earn greater profit, employs less number of men than are required, with the result that the latter have greater difficulty in getting leave. The disadvantages urged by the Sarni Kamdar Association are inherent in the contract system, whether

it prevails in one department of the mill or another, and outweigh whatever advantages it may possess. The system certainly gives no advantage to the worker. We recommend that the contract system of engaging labour should be abolished as soon as possible and that workers for every department in a mill should be recruited and paid direct by the management.

Employment of Workers from " Criminal Tribes ".

In centres of the cotton textile industry like Sholapur and Hubli a number of persons from the local criminal tribes settlements are employed in the mills. According to the information supplied to us by the Settlement Officer, Criminal Tribes Settlement, Sholapur, 246 persons from the Settlement and 378 from the Free Colony under his supervision are employed in the mills in that centre. The Sholapur Settlement was established in 1912 and a large number of its members obtained employment in the mills. The mills pay to the authorities of the settlements a certain amount per head per month as capitation charges for the labour provided from the settlement. The Criminal Tribes Settlements at Hubli, Gadag, Dhulia, Jalgaon and Ahmedabad also supply a number of workers to the local mills. The Criminal Tribes Act Enquiry Committee in its Report (1939) observes: " The sending out of ' settlers ' to the towns as free labourers for the whole of the day and subjecting them to the discipline of a settlement during the night has a great disadvantage. The psychological effect of such a system on the settler is undesirable."[1] Apart from this, the fact that these workers are subject to the discipline of the settlement in all matters prevents them from fully participating in trade union activities. They have often in the past, owing to the rules of the settlement, been unable to join strikes. Their continued employment during strikes is naturally looked upon by other workers with suspicion and disfavour. It is undesirable that an element, which is thus unable to identify itself with the general body of workers, should continue to exist in the industry. We, therefore, recommend that the rules of the settlements in respect of those of the settlers who are employed in the mills should be such as to enable them to participate fully in all legitimate activities of trade unions. If, however, this is not possible, we suggest that the employment of members of the settlements in mills should cease.

Organization of Labour.

In the preceding chapters we have considered the measures which the employers, the employees and the Government can and should take to improve the wage level in the textile industry in this Province. All these measures are essential. But, in the ultimate resort, the most effective measure for securing the end in view is the development of the organized strength of the workers themselves. In all countries improvement in the condition of workers has been achieved by legislation,

[1] Page 58.

by the pressure of public opinion and by collective bargaining. Nevertheless, it is true to state that the raising or the maintaining of the level of wages has been secured by collective bargaining rather than by State action and the success of collective bargaining, from the workers' point of view, depends on their organized strength. The forms, characteristics and policies of trade unions have varied in different countries according to the stage of their industrial development and their social and political conditions, but, " despite the challenge on the right by fascism and on the left by communism and despite the fact that world depression has effected a profound alteration in the relations between trade unions and the State, the mass of the organized wageworkers in Great Britain and its dominions, in the Scandinavian countries, in Holland, Switzerland and in the United States still regard the autonomous voluntary trade union as the basic instrument by which they can maintain and improve their status as workers under capitalism and a democratic form of government."[1] In India the trade union movement is of recent origin, but its need has not been less urgent.

The main objects of a trade union are to secure for the workers adequate wages, shorter hours of employment, satisfactory conditions of work and proper safeguards for health and life. It fulfils its purpose through collective bargaining and the constant struggle of organized labour resolves itself into maintaining the right and power of collective bargaining and opposing all practices and restrictions which sap the effectiveness of such bargaining. The proceedings of the Tripartite Technical Conference on the Textile Industry held in Washington in 1937 bear testimony to the importance of organization of labour and the need for maintaining its power of collective bargaining for the benefit not merely of the workers but also of the industry as a whole. The report of the proceedings has the following : " Spokesmen representing not only workers' organisations but also both the employers and the Governments of three such important textile-producing countries as Great Britain, France and Belgium, all paid tribute to the value, as a means of securing stability, good relations and progressively better conditions in the industry, of free organisation on both sides and the conclusion of collective agreements after negotiation on a basis of equality and mutual respect between the employers' and workers' organisations."[2] The advantages to industry as well as to the workers of collective agreements cannot be over-estimated. Such agreements promote stability in the industry by eliminating internal strife and by regulating the level of wages and other main conditions of employment. Again, as these agreements bind all or most of the units of an industry, they tend to eliminate unhealthy competition. As the Report of the Washington Tripartite Conference states : " Collective agreements are of special importance mainly in the regulation of matters which are not dealt with by legislation and may serve as a very useful preparation for future legislation"[3]

(1) " Encyclopædia of the Social Sciences ", Volume XV, page 7.

(2) " The World Textile Industry ", Volume II, published by the International Labour Office, 1937, pages 259-60.

(3) Ibid., page 261.

and " they may also be of great utility in the working out and application of the detailed execution of legislation, subject to and within the general limits laid down by the law."[1] The success of collective agreements from the point of view of the industry depends on the effectiveness of the organization of workers as much as of the employers. And from this point of view a strong trade union movement is no less beneficial to the industry than to the workers. The Royal Commission on Labour in India laid emphasis on this aspect of the trade union movement. It stated : " It would be foolish to pretend that in present conditions particular employers in particular centres cannot gain an advantage by thwarting and repressing attempts to organise, and all employers are bound to find, on occasion, that the organisation of their men limits their power. But whilst the advantages to be gained from repression are temporary and precarious, those that accrue from healthy organisation are lasting."[2] In recent years legislation has been playing an increasing part in the regulation of working conditions in industry in all countries. But even legislative measures and State action depend for their success on the strength of labour organization.

There are other forms of organization such as works councils and works committees which, to some extent, safeguard the interests of the workers. In these organizations employees of individual factories, through their representatives, participate in adjusting conditions of employment. These organizations may succeed in creating cordial relations between management and workers, in adjusting complaints and disputes, in enforcing decisions of boards of conciliation or arbitration, in promoting efficiency and economy and in administering welfare services. But they are useful only so long as the employers are well disposed. They cannot be a substitute for trade unionism. They cannot, owing to their constitution, deal with problems which affect all the workers in an industry. They are concerned only with employees within a single unit, whereas trade unions are organizations of workers in an occupation or industry and safeguard the common interests of all workers in that occupation or industry. It is obvious that an organization confined to an individual unit will not be able to deal with a recalcitrant employer as successfully as a strong trade union would. Again, questions of general interest like increases in wages can most effectively be dealt with only by trade unions whose bargaining power is considerable.

It is not seldom that public opinion has to be mobilized to secure protection of the interests of the workers through legislative or State action in the face of the opposition of employers. Strong organizations of labour have been potent means of mobilizing such public opinion.

Apart from collective agreements, investigation and mediation, conciliation and arbitration have been increasingly resorted to by the State

(1) " The World Textile Industry ", Volume II, published by the International Labour Office, 1937, page 261.

(2) " Report of the Royal Commission on Labour in India ", 1931, page 322.

in recent years in order to secure industrial peace. The efficacy of these methods also presupposes the existence of organized trade unions.

TRADE UNIONS IN THE TEXTILE INDUSTRY.

Thus, whether we consider it from the point of view of the workers or of the employers or of society, the trade union movement cannot but be regarded as most desirable. It is not surprising that the textile industry being the most important industry in the country, the first attempt at labour organization was made in it. This attempt was made in Bombay in the eighties of the last century. But, until after the end of the war of 1914-18, the organizational work done in the textile as well as in other industries was spasmodic. The end of the war witnessed much labour unrest due largely to a rising cost of living and this unrest found expression in, among other things, the organization of labour. The first trade union was the Madras Labour Union, composed of workers of the Buckingham and Carnatic Mills, which was started in 1918. The establishment of the International Labour Conference, with the right it conferred on organizations of labour to send their delegates to it, as well as the new hopes roused among workers throughout the world, as a result of the war, also stimulated the growth of the movement. Finally, the bringing into being of an All-India Trade Union Congress in 1920 gave a further fillip to it. The Province of Bombay had an important share in the development of the movement and the extent of the progress made may be measured from the fact that the total number of trade unions in the Province on 1st September 1939, was 173 as against 21 in 1922. Of these 173 unions, 78 were in Bombay City and 19 in Ahmedabad. On 1st September 1922, the 21 unions had a total membership of 47,322, while on 1st September 1939, the 173 unions had a total membership of 166,047. Members of textile workers' unions, the largest single group of organized workers, constituted 45·86 per cent. of the total membership of all unions on 1st September 1939.

UNIONS IN BOMBAY CITY.

A brief description of the growth of the trade union movement in the textile industry of the Province will not be out of place here. The first successful attempt in Bombay to form a union of textile workers on a large scale was made in 1926 when the Bombay Textile Labour Union, with a membership of nearly 7,000 workers, was established under the presidentship of Mr. N. M. Joshi. The other four unions, which were in existence then, were the Girni Kamgar Mahamandals at Colaba, Chinchpokli, Ghorupdeo and Prabhadevi. In 1926 the Girni Kamgar Mahamandal (Colaba) closed down but the others continued in existence till the end of 1927. During 1928 the Bombay Mill Workers' Union, with a membership of 300, was started under the presidentship of Mr. S. H. Jhabwala and the Girni Kamgar Mahamandals were registered as one union. The Bombay Textile Labour Union and the Bombay Mill Workers' Union, however, continued to work, and a new union, the Bombay Girni Kamgar Union, was organized under the

presidentship of Mr. A. A. Alwe with a membership of 174. In 1929 the Chinchpokli Textile Workers' Union was formed which, after working for nearly a year, became defunct in 1930. In the same year the Grant Road Parsee Textile League Association was brought into being. In 1933 another union, the Lal Textile Kamgar Union, which subsequently changed its name to Lal Bavta Girni Kamgar Union, was established. This union, however, ceased to function in 1934, as it was declared by Government to be an unlawful association. The number of unions, however, rose to eight in 1935 by addition of three more unions, the Swatantra Kamgar Sangh, the Girni Kamgar Union and the New Bombay Girni Kamgar Union. In 1936 the Swatantra Kamgar Sangh, the New Bombay Girni Kamgar Union and the Girni Kamgar Mahamandal ceased to exist, leaving only five unions, the Bombay Textile Labour Union, the Bombay Mill Workers' Union, the Bombay Girni Kamgar Union (Red Flag), the Grant Road Parsee Association Textile League and the Girni Kamgar Union. These unions have continued to work till this day. The Red Flag Girni Kamgar Union was started in Kurla in 1932 and still continues to exist.

There have been some remarkable fluctuations in the membership of the Girni Kamgar Union (Red Flag), the biggest of the unions, during the last decade. There was a sudden rise in the membership of this union in 1928, the total number of members on its roll being 54,000 which was the highest in its career. The membership was maintained round about this figure throughout 1929 but, after the failure of the general strike of that year, it came down to 800 in 1930; it steadily rose to 7,535 in 1932, but again declined to 4,655 later on in that year. In 1934 it had an increase of 2,000 members. In 1935 the number suddenly fell to 2,000 from 6,000, but immediately rose to 6,700 in the same year. The year 1936 saw a fall in the membership by about 1,200, but a rise was observed in 1938, when the membership rose from 5,500 to 8,000. The membership stood at 8,218 on 1st June 1939 and increased to 19,877 on 1st September 1939.

UNIONS IN AHMEDABAD.

In Ahmedabad textile labour was organized by Shreemati Anasuyaben Sarabhai and Mr. Shankarlal Banker under the guidance of Mahatma Gandhi in 1918 during which year there was a general strike of textile workers in that city. As a result of this strike and at the instance of Mahatma Gandhi attempts were made to establish a permanent machinery for the settlement of labour disputes. In 1920 the Ahmedabad Millowners' Association passed the following resolution on this subject: "If any dispute or difference of opinion arises between the millowners and the workpeople and if they are not able to settle it among themselves, such dispute shall be settled by Mahatma Gandhi and Seth Mangaldas[1]. In doing so, they are invested with such powers as are ordinarily given to arbitrators on such occasions." It was agreed by both the parties that in case of a difference of opinion between the arbitrators the matter

(1) Then President of the Ahmedabad Millowners' Association.

should be referred to an umpire whose decision would be final and binding on both parties. The existence of this permanent machinery of arbitration has been a feature of the relationship between capital and labour in Ahmedabad during the last two decades and has facilitated the organization of labour in that city. The Textile Labour Association, Ahmedabad, was established in 1920 as a federation of eight occupational unions. These Unions were : (1) Weavers' Union, (2) Folders' Union, (3) Throstle Union, (4) Sizing Union, (5) Winders' Union, (6) Card Room, Blow Room and Frame Department Union, (7) Drivers', Oilmen and Firemen's Union, and (8) Mill Jobbers' and Mukadams' Union. In 1922 these unions had an aggregate membership of 17,550. In 1922 the Mill Jobbers' and Mukadams Union ceased to exist and the rest continued till 1923. In the same year the Sizing Union and the Folders' Union were closed down. In 1925 the Winders' Union reported that its membership was nil and so for all practical purposes it ceased to function. In 1926 a new union, the Jobbers' and Mukadams' Union, was added to the list bringing the number of unions then existing to five. In 1927 the Winders' Union was revived. In 1929 the Winders' Union ceased to exist ; in 1930 the Reelers' Union was organized. In 1934 the Reelers' and Winders' Unions ceased to exist as separate units, but were revived in 1939 when a new union called the Ward Union was organized. All the unions we have so far mentioned were affiliated to the Textile Labour Association. The Mill Mazdoor Union was organized in 1933, but in the following year was declared by Government to be an unlawful association. Towards the end of 1934 the Mill Kamdar Union was formed. In 1938 there were two additions, namely, the Gujarat Sarni Kamdar Association and the Khristi Mill Kamdar Sangh with 1,340 and 70 members respectively. In September 1939 there were eleven unions of cotton mill workers in existence in Ahmedabad. The total number of members in all these unions was 32,477 of whom 28,454 were members of the unions affiliated to the Textile Labour Association.

UNIONS IN OTHER CENTRES.

Broach.—In 1923–24 two unions, the Fine Counts Mill Labour Union and the Saraswati Mill Labour Union, were formed in Broach and were in existence till 1926.

Surat.—The Surat Kamgar Sangh was established in 1937 and continues to exist.

Sholapur.—The Sholapur Textile Union was formed in May 1925 with an initial membership of 2,000. This Union subsequently became a branch of the Bombay Textile Labour Union and was in existence till 1930. In 1931 the Lal Bavta Girni Kamgar Union, with a membership of 386, was formed. This membership rose to 5,336 by 1st September 1939. In August 1939 the Tirangi Bavta Girni Kamgar Union was formed with a membership of 500.

Jalgaon.—The Khandesh Textile Workers' Union was formed in 1937 and after working for nearly a year ceased functioning. In September 1939 a new union called the Jalgaon Girni Kamgar Union was formed with a membership of 130.

Amalner.—The Pratap Mills Kamgar Union was established in 1932 but it remained in existence for only one year. Another union, the Amalner Girni Kamgar Union, was formed in October 1937 and is still in existence. This union had a membership of 1,392 on 1st September 1939.

Chalisgaon.—In 1933 the Chalisgaon Lal Bavta Girni Kamgar Union was formed but it remained in existence for only one year. There is no union of cotton mill workers in that centre today.

Dhulia.—There is only one union, the Dhulia Girni Kamgar Union, which was formed in 1932-33, and is still functioning.

Barsi.—The Lal Bavta Girni Kamgar Union was formed in October 1937. Another union called the Rashtriya Majur Sangh with a membership of 454 was formed in July 1939.

Gokak.—The Gokak Mill Employees' Union, formed in 1936, is still in existence. It had a membership of 2,784 on 1st September 1939.

Hubli.—The Hubli Textile Labour Union was organized in 1930. It worked for nearly three years and was closed down in 1933. A new union, the Girni Kamgar Sangh, started in November 1938, is still in existence and this has a membership of about 400.

DIFFICULTIES OF ORGANIZATION.

Considering the number of workers employed in the textile industry in the Province, it can hardly be said that the progress made in organizing them has been satisfactory. There is, however, little doubt that many of the unions have exercised, and still continue to exercise, in some respects, a much greater influence over the workers than their membership would indicate and have, on many occasions, been able to secure united action for the ventilation of their demands and the redress of their grievances. The trade union movement during the last two decades has been confronted with numerous difficulties. The foremost of these difficulties are the apathy and the indifference of the workers. The general poverty and the low level of wages present another formidable obstacle to the work of organization. To a majority of workers whose wages are low, who are more often than not in debt and who can hardly make both ends meet, the regular payment of even a small subscription to the union becomes a burden. The migratory character of a considerable section of the workers is also another serious obstacle. Many of the workers are either members of peasant families or have connections with villages. They are, therefore, accustomed to return to their villages at periodic intervals. They are naturally less able, if not less inclined, than workers who live permanently in industrial centres, to maintain constant interest in, or contact with, labour unions. Further, to quote the Royal Commission on Labour in India, "the fact that so many workers look forward to a proximate or ultimate escape from industry tends to diminish their enthusiasm for efforts to ameliorate their conditions and to enhance their readiness to tolerate disabilities."[1]

[1] "Report of the Royal Commission on Labour in India," 1931, page 321.

Formidable as are the obstacles mentioned above, they can be overcome if trade unions are not faced with other difficulties. The workers and their representatives who gave evidence before us in Bombay stated that the chief of these difficulties were the hostility of the employers, their refusal to recognize the unions and the fear among the workers of being victimized for associating themselves with trade union activities. At other centres of the industry also, including Ahmedabad, complaints about the hostile attitude of the employers and allegations regarding victimization were made by workers and their representatives. The Millowners' Association, Bombay, has in this connection drawn our attention to its letter to the Government of Bombay in which it had defined its attitude towards unions and laid down the conditions subject to which it would recognize a trade union of textile workers. A copy of this letter was furnished to us. We shall deal with the points raised in this representation when we examine the question of recognition of trade unions. Our colleague, Mr. Khandubhai Desai, said that even in Ahmedabad trade unionism had a chequered career during the last two decades of its existence and no employer, with the exception of one or two, in spite of existing agreements, had allowed a union to be formed without resistance, victimization and strikes. The Royal Commission on Labour in India referring to the attitude of employers towards trade unions said: "In many cases we found it difficult to ascertain what active steps had been taken to encourage the growth of healthy trade unionism, whilst the attitude of some employers in their dealings with trade unions was singularly ill-calculated to secure that end."[1] These words describe, with fair accuracy, the attitude of employers in the textile industry of this Province towards trade unions of their workers. Such an attitude is, however, not peculiar to employers in India. It is an attitude characteristic of the employing class all the world over, especially in the early days of a trade union movement. However, in most Western countries the advantages of trade unionism to industry itself as well as its inevitability are being increasingly realized and though industrial strife has by no means been eliminated, it is acknowledged that a strong trade union is one of the most powerful instruments for averting such strife and securing stability and peace in industry.

VICTIMIZATION.

Under the Bombay Industrial Disputes Act, 1938, victimization of workers for being members of trade unions or for participating in union activities is made an offence and it may be hoped that, as a result of this, complaints about victimization will cease. As we have stated above, at every centre workers and their representatives drew our attention to these complaints and urged that victimization or fear of victimization constituted one of the most serious obstacles to the growth of trade unionism. One of our colleagues, Mr. Saklatvala, agreed that there had been a few instances in which a mill official had victimized a worker more or less on the ground that he belonged to a union, but, in his view

(1) Page 323.

these were isolated instances. While Mr. Gennings had had no complaint about victimization placed before him in his capacity as Chief Conciliator, Mr. Pryde said that he had known of some cases of victimization but that very often it was hard to say whether a worker had been victimized for trade union activities or not. Mr. Dange also referred to the difficulty of ascertaining, without a proper inquiry, whether a worker was dismissed for breach of a Standing Order or for being a member of a union. In a preceding paragraph we have referred to the new Standing Order dealing with dismissal. This Standing Order, in our view, would provide an effective safeguard against victimization of workers for interesting themselves in trade union activities. Whether there are numerous cases of such victimization may be disputed by the spokesmen of employers, but there is little doubt, that the fear that they will be victimized if they join a trade union or interest themselves in its activities prevails among a large number of workers and constitutes an obstacle to the growth of trade unionism among them. The safeguarding of the workers' right to organize, without intimidation and discrimination, in order to protect and improve their standards of life is the essence of trade unionism and employers who wish to see the growth of a sound trade union movement in this Province should refrain from doing anything that would deter workers from exercising their right of organization.

Complaints were made before us by representatives of the workers that some employers did not permit workers living in mill chawls to carry on any trade union activities in the chawls. Workers living in mill chawls pay rents and their relations with the employers owning the chawls are those of tenants with their landlords. There is no reason, therefore, why such rights as the law confers on tenants to carry on legitimate activities in their residences should be denied to workers living in mill chawls. Such restrictions, wherever they exist, not only hamper the working of trade unions but may also prevent workers from taking advantage of the housing facilities provided by their employers. We are strongly of opinion, therefore, that it is undesirable for employers to place restrictions on workers carrying on any activities in the mill chawls in which they live except to the extent to which the law permits such restrictions.

PAID OFFICIALS AND TECHNICAL ADVISERS.

A criticism of trade union organization that was made before us by the spokesmen of the employers was that a majority of trade union leaders did not understand the working of the industry. Our colleague, Mr. Saklatvala, urged that it was necessary for the successful running of a trade union that the majority of its leaders should be able to understand something of the technical aspect of the industry so that they might be able to discuss with the employers matters in respect of which such knowledge was essential and to place their case adequately before the Chief Conciliator. Mr. Maloney thought that there was hardly a trade union leader in Bombay who could understand a standard

weaving list. He added : " In England it is not anybody who could be a secretary of a trade union in the textile industry. He must pass a definite examination before taking his appointment." Mr. Pryde endorsed the view of Mr. Maloney about the paucity in Bombay of trade union officials possessing a knowledge of the technical aspect of the industry. He said : " Certain amount of outside element may be necessary to start with ; but even the outsiders must acquaint themselves with the working of the industry, otherwise they cannot be efficient. If a dispute arises, unless they are technically qualified they are not in a position to place the workers' case before any tribunal or to bring about a settlement." Under the Indian Trade Unions Act, 1926, not less than half of the total number of officers of a union should be persons " actually engaged or employed in an industry with which the trade union is concerned," and we found during the course of our inquiry that a majority of the members of the managing committees of trade unions were workers so engaged or were men who had in the past served in textile mills. The unions thus had at their disposal some knowledge of the technical side of the industry. Besides, we found that at least some of the leaders of the trade unions showed a good grasp of the working of the industry. It is, however, true that, with a few exceptions, trade unions in the textile industry of this Province suffer from a paucity of officials who satisfy the standards of qualifications, training and equipment that are considered indispensable in countries where the trade union movement has been well developed. The main reason for this defect in trade union organization is that, in most instances, trade union officials are not trained for the work they have to do. If the trade unions in the textile industry are to become more efficient instruments for protecting the interests of the workers and securing improvement in their standard of life, they must have at their disposal the services of an increasing number of men who are conversant with the technical details of the industry and who have received necessary training for the work not merely of organizing trade unions but also of carrying on their day to day activities. Efficient service of this kind can only be available to the unions if the officials are full-time men and are adequately paid. Such officials should perferably be recruited from the ranks of workers. Educated young men, who have received special training for the purpose and are interested in the work, will also make efficient and useful trade union officials. The Textile Labour Association, Ahmedabad, has for some time been conducting a class for training educated young men for trade union work. While it is primarily the concern of trade unions to take the initiative in this matter, the State and employers also owe an obligation to the working class to do all they can to help in providing facilities for training. " The class whose education we desire to advance," the Royal Commission on Labour in India says in this connection, " has claims which are in no way weaker than those of political lawyers or Government officials to participate in the provision which the State makes for education."[1]

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[1] Page 330.

Trade unions will always require the assistance of technical advisers for carrying on many of their activities, especially in negotiations with employers or in conciliation or arbitration proceedings in regard to technical matters. Lack of such advisers has proved a handicap in the past. The services of retired mill officials may prove useful in this respect. The Bombay Strike Enquiry Committee emphasized the need for a technical adviser to the trade unions in Bombay and suggested that the appointment of such an expert was almost essential for the proper working of the standardization scheme approved by it. It expressed the hope that the trade unions would continue to make some arrangements of the kind suggested by it. We endorse the suggestion of the Committee. Whether there should be one technical adviser for the whole Province or more may be left to the unions to decide, but, in view of our recommendations regarding rationalization and standardization of wages, we cannot too strongly urge the importance and usefulness of such expert advice to protect the interest of the workers.

RECOGNITION OF TRADE UNIONS.

The success of trade unions depends on the exercise of the right of collective bargaining and it is their constant endeavour to resist any restrictions that undermine that right. The most effective weapon to which employers usually resort in order to deny to the workers this right of collective bargaining is to refuse recognition to their unions. In some countries, the State has considered it necessary to intervene and give protection to trade unions in this respect. The most recent and outstanding instance of this State protection is the National Labour Relations Act of 1935 of the United States of America, which declares that " employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection " and prohibits the refusal by the employers " to bargain collectively with duly elected employee representatives." The Bombay Industrial Disputes Act, 1938, confers on a union, which has not less than 25 per cent. of the employees in an industry or occupation as its members, the right to represent workers in negotiations with employers where some of the employees directly affected by a change belong to it and to agree to settlements on their behalf. But it does not give this right to a union which has a lesser membership unless it is recognized by the employer and has a membership of at least 5 per cent. of the employees in the industry or occupation concerned. As it is difficult to get a membership of 25 per cent. of employees, the question of recognition by employers assumes importance. We consider it necessary to deal with this question in view, especially, of the refusal of millowners' associations to accord recognition to the most important trade unions in various centres except Ahmedabad.

In September 1937 the Government of Bombay addressed a circular letter to the various millowners' associations and other bodies on the

subject of recognition of unions. In that letter Government stated that they were anxious to assist in removing real hindrances in the way of the growth of labour organizations and to promote collective bargaining between the employers and employees and they asked the millowners' associations and other bodies to state the conditions under which they would be prepared to give recognition to trade unions. In its reply to Government the Millowners' Association, Bombay, stated that its view on the subject of recognition was that an employers' organization should not be called upon to recognize any labour union which was not prepared to agree to make strikes the last weapon in its armoury instead of the first. It urged that no notice for cessation of work either in an individual concern or in the industry as a whole should be given until every avenue of negotiation, conciliation or arbitration, which existed or might be devised by agreement between the employers and workers' organizations concerned, had been exhausted. This objection to recognition has not much force now, in view of the passing of the Bombay Industrial Disputes Act, 1938, which prohibits strikes before a notice of change is given and before conciliation proceedings are completed. The Millowners' Association, Bombay, also indicated other conditions precedent to recognition. The first condition was that the union requiring recognition should not encourage class war. "The object of a labour organization in seeking recognition is to represent and protect the interests of the workers and to negotiate with the employers or their organizations whenever disputes arise. The views held by some of the officials of a trade union on the political or economic structure of society ought not to influence the working of the union as such. Insistence on the registration of a union under the Indian Trade Unions Act would be reasonable and this is now made a condition precedent to recognition by the Bombay Industrial Disputes Act, 1938. When a union is so registered, it must have a regular constitution and a periodical audit. Not less than half of the members of its executive must be workers. Its general fund cannot be spent except in the manner provided under the law. If it has a political fund, it must be kept separate from the general fund and no member can be compelled to contribute to it. Registration thus necessitates compliance with provisions which constitute a guarantee that the activities of the union itself would be legitimate ones. The Association also made it a condition that the union should be run and controlled by actual mill workers. It was prepared to concede that in the early stages of a union's existence a limited amount of outside assistance on its executive might be necessary but it felt that the ultimate aim should be an organization run and controlled entirely by the workers themselves. It was, however, willing to consider the grant of recognition to a union which had on its executive outsiders numbering not more than ten per cent. of the total strength. The existing law limits the number of such outsiders to 50 per cent. and no case has been made out by the Association for a further reduction to 10 per cent. Trade unionism in this Province, as in other parts of India, can hardly be said to have passed beyond its early stages, and if this is so, according to the admission

made by the Association, a limited amount of outside assistance on the executive of a labour union is necessary. Obviously, the members of the union alone can judge the extent of the assistance which they need and the employers are hardly justified in dictating to them how many and who should be the outsiders to guide and help them in carrying out the activities of their union. In fact, until trade unions in this Province have established themselves on a firm and unshakable footing and consolidated their position and until, as recommended by us, a sufficient number of paid officials recruited from among the ranks of the workers are available, the need for the guidance and assistance of outsiders will continue to be felt. In India, where the movement is still in its early stages and the fear of victimization is not absent, the help of outsiders is still necessary. The Millowners' Association, Bombay, also insisted that a strike should not be called unless a ballot had been taken previously and not less than two-thirds of votes cast and not less than 50 per cent. of the workers involved were in favour of a cessation of work. The acceptance of such a condition may prove useful. But this and similar other conditions which were stipulated relate to matters of internal working of a union regarding which, in our opinion, employers ought not to impose any conditions.

REGISTRATION OF UNIONS.

We have already referred to registration of unions under the Indian Trade Unions Act, 1926. Under the Bombay Industrial Disputes Act, 1938, the Registrar can register "any recognised union which has for the whole of the period of six months next preceding the date of the application, a membership of not less than five per cent., or any other union which has for the said period a membership of twenty-five per cent. of the total number of employees employed in any industry or occupation, as the case may be, in the local area." For the purposes of the Act there can be only one union in any industry or occupation in a local area. In areas and industries, where an industrial union has already been registered, there may be separate unions for different occupations in one industry only if the occupational union has more than twenty-five per cent. of the total number of employees in that occupation as its members. Again, if two unions apply for registration under the Act, that which has the larger membership can alone be registered and a larger union is entitled to displace the smaller union already in existence. The functions of representing workers and negotiating on their behalf can be performed by two classes of unions. The first is a union which has not less than 5 per cent. of the employees concerned as its members and which has been recognized by the employer. Such a union, however, can act only if the majority of the employees affected by any particular change are its members. The second is what is called a representative union. This is a union which has not been recognized by the employer but which can perform these functions only when it has not less than 25 per cent. of the employees concerned as its members, with this difference that it can act on behalf of the employees in all cases in which even some of the employees

affected by a change are its members. A union which has only five per cent. of the employees as its members and which is not recognized by the employer, can apply to the Registrar to be declared as a qualified union. Such a union cannot take part in negotiations between the parties, but is entitled to assist the representative of the employees in all proceedings under the Act where it has more than fifty per cent. of the employees concerned as its members.

There are provisions in the Bombay Industrial Disputes Act, 1938, which are intended to encourage the growth of trade unions and ensure their independence. These are, in the main, the provisions which make victimization of workers illegal, which empower the Registrar not to register any union if he is satisfied that the application for registration is not made in the interests of the employees but in those of the employers, which require that a union depending for its registration on the recognition of the employer cannot act on behalf of the employees unless the majority of the employees affected by a change are its members, and which provide that a large unrecognized union can have the registration of a registered union cancelled and can itself become a qualified union if it chooses to do so. The representatives of the Bombay Provincial Trade Union Congress, however, were sceptical about the Act becoming an instrument for encouraging the growth of trade unions and ensuring their independence. In the first place, they urged that it was next to impossible to have a union which fulfilled the condition of having as members 25 per cent. of the employees in the industry or any of its occupations for the whole of a period of six months next preceding the date of the application for registration. Our colleague, Mr. Khedgikar, also thought that it was very difficult for a union to get a membership of 25 per cent. of the employees and he suggested that this limit should be reduced to 15 per cent. This apprehension was confirmed by Mr. Gennings who said that the chances of a union attaining such membership were incredibly remote. Mr. Dange also feared that as it would not be possible to have a representative union, the millowners, who were in a position to compel their employees to form a union, might put up another union with 5 per cent. membership and recognize it. He added: "Though there is a provision that the Registrar, if satisfied that a union is not a genuine one and that it is in the nature of a company union, will have the right to refuse registration, yet it would be difficult to prove at least for some time that a union is a company one." Though the fear of company unions being established may not be justified, it must be admitted that the condition of 25 per cent. membership for a representative union is very difficult to fulfil and its imposition may operate as a hindrance in the way of encouraging the growth of trade unions. Where there are no unions entitled to represent the workers they may elect five representatives from among themselves. Where such representatives are not elected, the duty of representing the workers for the purposes of the Act would devolve on the Labour Officer. This was also a result anticipated by Mr. Gennings. It is possible that if workers have to continue to depend on the good offices

of a Labour Officer, however sympathetic he may be, their power of initiative and their spirit of self-reliance may suffer and, consequently, the development of a strong and independent trade union movement among them may be retarded. There may be reason to apprehend that the structure of the Act is not such as will facilitate the realization of its purpose, namely, the proper and speedy development of an independent trade union movement. However, as the Act was brought into operation only recently, there is not sufficient material before us to enable us to form a definite opinion about its effects on trade union organization.

Government Labour Officer.

In 1934 the Government of Bombay secured the passage, through the local Legislature, of the Bombay Trade Disputes Conciliation Act the object of which was to promote the settlement through conciliation of disputes between workers and their employers. This measure was, in the first instance, made applicable to the textile industry in Bombay City and Suburbs. A Labour Officer was appointed under it " to watch the interests of workmen with a view to promote harmonious relations between employers and workmen and to take steps to represent the grievances of workmen to employers for the purpose of obtaining their redress." For carrying out his duties he was empowered, after giving reasonable notice, to enter any place for the purpose of any trade or industry to which the Act was applied and he was entitled to inspect and call for documents relevant to the grievances of the workers. He could also enter, after giving reasonable notice, any premises provided by an employer for the purpose of residence of his workmen. Mr. W. Gilligan, I.C.S., was appointed the Labour Officer. He and his successors have been able to render service to the workers by getting some of their grievances redressed. Such success as these officers have achieved was partly due to the fact that the Bombay Girni Kamgar Union (Red Flag), having been refused recognition by the employers, could not directly negotiate with them. In Mr. Gennings's view the appointment of a Labour Officer did not tend to help the growth of a trade union, but he did not think that it either hindered such growth if the trade union was prepared to work with the Labour Officer and used him to further its own interests. He pointed out how in England the Ministry of Labour had appointed Conciliation Officers in every big industrial centre and how they worked in co-operation with the trade union movement. He thought that, if there was a spirit of co-operation, the trade union movement could grow even if there was a Labour Officer, because a trade union properly organized and run had got something more to offer to the workers than the mere redressing of grievances. On the other hand, the view put forward by Mr. Dange was that the appointment of a Labour Officer was a handicap to the development of a trade union. He urged that to deal with the day to day grievances of the workers was the legitimate task of a trade union whose development depended on the manner in and the extent to

which it secured the redress of their grievances and tackled their problems and that if a Labour Officer was appointed to represent the grievances of the workers and get them redressed, he naturally deprived the trade union of its main functions, and thus his appointment retarded its growth. It is possible, as Mr. Gennings said, that if there was a spirit of co-operation, the trade union movement could grow even if there was a Labour Officer because a proper trade union had got something more to offer to the workers than the mere redressing of grievances. But it cannot be denied that representation and redress of grievances are among the main functions of trade unions and it is on the extent to which trade unions successfully discharge these functions that they win the confidence and loyalty of the workers and ensure their own growth and development. The services of Labour Officers are necessary where there are no labour unions. They may also be useful even where there are unions, provided the officers themselves make it their main function to encourage the growth of trade unions because no agency can replace well-organized unions for the purpose of protecting and promoting the interests of the workers.

CHAPTER XII.

CONCLUSIONS AND RECOMMENDATIONS.

We were charged with the duty of conducting an investigation into the question of the adequacy of wages in the cotton textile industry of the Province of Bombay and into kindred matters relating to the industry. In the preceding chapters we have dealt with the various aspects of the industry in accordance with our terms of reference. In this chapter we proceed to give a comprehensive summary of the conclusions and recommendations contained in the preceding chapters.

Wages in the Cotton Textile Industry.

1. In this chapter we analyse the wage position in the cotton textile industry in the Province of Bombay chiefly with the help of the results of the special wage census conducted by the Labour Office in 1937.

2. We recommend that there should be uniformity with regard to the fixation of the pay-period in a centre. (Page 11).

Living Wage Standard.

3. We do not attach much weight to the plea regarding the inadvisability of defining a living wage standard. (Page 59).

4. We do not accept the contentions that the evaluation of a living wage standard by us would penalise, in a special manner, the textile industry of this Province and further that such evaluation must necessarily be preceded by an all-India inquiry covering all industries. (Page 59).

5. Although the data are not in every respect as ample as we would have wished, we cannot hold them to be so insufficient as to make it impossible for us to frame a general picture of the living wage standard. (Page 63).

6. General considerations are strong for presuming that the large majority of textile workers are married men. (Page 63).

7. It is safe to assume that single men form a negligible proportion of textile workers in the Province and we, therefore, decide that the living wage standard should be determined in respect of the family unit. (Page 65).

8. On a balance of considerations it would be most appropriate to define the living wage standard in all centres with reference to a family of four persons, i.e., a man, a wife and two dependants who would ordinarily be children under 14. (Page 68).

9. The typical family of four members converted into consumption units will be equivalent to one male = 1, a wife = ·8 and two dependants or children ·6 × 2 = 1·2 ; altogether 3·0. (Page 70).

10. According to Dr. Aykroyd, the cost of food for a family of three consumption units in the Province of Bombay would work out to a total of Rs. 22-8-0 per month. (Page 71).

11. Other estimates of cost for a minimum vegetarian diet for Bombay approximate to the figure of Rs. 23 per month for a family of three consumption units. (Page 72).

12. The minimum requirements of housing accommodation are two rooms of a floor area of 180 square feet for a family of four in Bombay. The standard of floor area may be put a little higher in less crowded cities. (Page 73).

13. We assess the minimum expenditure on rent on the above standards at Rs. 12 per month in Bombay, at between Rs. 6-8-0 and Rs. 7 in Ahmedabad and at between Rs. 4 and Rs. 4-8-0 in Sholapur. (Page 74).

14. The minimum expenditure on items other than food and rent we assess at between Rs. 15 and Rs. 20 per month. (Pages 77 and 78).

15. For a typical family of a husband, wife and two children, the range of total expenditure for maintaining a living wage standard we calculate at between Rs. 50 and Rs. 55 for Bombay and at between Rs. 45 and Rs. 50 for Ahmedabad. For Sholapur the range would be about Rs. 3 to Rs. 5 less than for Ahmedabad, and the range for the other centres could be approximately determined by making similar appropriate allowances. (Page 78).

16. We cannot, for our typical family, make any allowance for the earnings of the wife. (Page 78).

17. Any supplementary sources of earning may be safely neglected from the calculations in arriving at the total expenditure for maintaining a living wage standard. (Page 80).

18. Barring the higher grades of occupations such as those of sizers and warpers, and a section of the best-paid weavers in the bigger centres of the industry, earnings in all other occupations fail to come up to the living wage standard. For the large bulk of the workers, indeed, earnings fall far short of the standard. (Page 80).

Minimum Wage.

19. Minimum wage fixing machinery has today advanced from the position of being applied to a few exceptionally low-wage industries for merely restoring proper competitive conditions to being applicable to all industries where labour is unorganized or weakly organized. (Page 83).

20. An exceptionally low wage level can no longer be considered a necessary requirement before minimum wage regulation is introduced. The only necessary test is the state of labour organization. (Page 83).

21. We do not agree that the Bombay Industrial Disputes Act dispenses with the need for a special machinery for fixing or revising minimum wage rates. (Page 87).

22. It would not be sufficient to restrict the regulation to a single general minimum; all occupational grades in the industry must be covered and this can best be done through the machinery of the trade board. (Pages 88 and 89).

23. It is not possible to lay down, in any well-defined terms, a basis for the fixation of the minimum wage. The standard of living and the condition of the industry will always remain the guiding considerations. But it is not possible to define for this purpose in a precise manner either of these concepts or to indicate the weight that should be attached to each. (Page 91).

24. The capacity should certainly not be measured in terms of the individual establishment. In considering capacity to pay of the industry in a centre, the main criterion should be the profit-making capacity of the industry in the whole Province. Only such allowances would be made for a particular centre as are necessitated by the peculiar nature of its production, or of any special charges that it has to bear because of its location. (Pages 91 and 92).

25. It will be for the trade board to go into the question of wage differentials and to fix them as far as practicable in a logical manner. (Page 93).

26. Where men and women perform identical tasks their wages should be the same. (Page 94).

27. We recommend that a trade board be set up for the cotton textile industry of this Province and that its powers and constitution should be similar to those of the Trade Boards established under the British Trade Boards Acts of 1909 and 1918. (Page 94).

28. There should be one trade board for the whole of the Province. (Page 94).

29. It should be composed of an equal number of representatives of employers and workers and should also contain some independent persons. (Pages 94 and 95).

30. The number of representatives of each side may suitably be placed between twelve and fifteen. (Page 95).

31. The number of independent appointed members should be three, of whom one should be nominated the chairman. (Page 95).

32. The representatives of both sides should be nominated after asking associations and unions, wherever they exist, to suggest suitable names, and where such associations or unions do not exist, Government should make appointments after direct investigation. (Page 95).

33. The total representation will have to be so distributed as to make the employers' representation representative of all centres of the industry and the workers' representation representative of the various occupations in the industry as well as all the centres of the industry. (Page 95).

34. In view of the present state of workers' organizations in the Province, it is necessary to provide that among workers' representatives on the trade board there may be included some persons, not exceeding in number one-half of the total representatives, who may not be actual workers in the industry. (Page 95).

35. The main duty of the trade board shall be to fix minimum time and/or piece rates for as large a body of workers included in the industry as possible. (Page 95).

36. The trade board should have also the power to fix guaranteed time rates and piece work basis time rates. (Page 95).

37. The Board may fix special rates for learners, infirm and injured workers, and it may fix different rates for different centres or districts. (Page 95).

38. The trade board may also be authorised to set up, if it considers necessary, regional advisory committees to assist it in its work. (Page 95).

39. Minimum wage regulation by a trade board cannot apply to those occupations in any centre for which wage rates have been standardized. (Page 95).

40. When a trade board decides to fix or vary a rate, it should publish the proposed rates of wages for the information of the employers and workers in the industry, and, after hearing objections, it should communicate its final decision to the Minister in charge. (Page 95).

41. The Minister should, on receipt of the decision of the trade board, make an order. In making an order it should not be open to the Minister to modify the decision, but he may send the decision back to the board for reconsideration. When the Minister makes an order, the wage rates should become the legally binding minimum rates for all the employers concerned. (Pages 95 and 96).

42. Enforcement should be guaranteed by providing for the keeping of records by employers and their periodic inspection. (Page 96).

43. Minimum rates of wages in industries for which trade boards are established should be removed from Schedule II framed under section 28 of the Bombay Industrial Disputes Act, 1938. A similar exception with regard to minimum wages should also be made in the Act in the definition of " Industrial Matter ". (Page 96),

Standardization of Wages.

44. Our discussions in connection with the various schemes of standardization of wages submitted to us were considerably handicapped by the fact that the employers could not agree to discuss the schemes with the representatives of labour. (Page 102).

45. If a uniform standard is to be evolved for all the centres, it is essential that while applying it to the various centres proper allowance should be made for variations in the cost of living. (Page 103).

46. The existing regional variations in the payment of labour cannot be ignored altogether in the drawing up of standardization schemes. (Page 103).

47. Taking advantage of the introduction of schemes of standardization, it may be possible to help in raising, to some extent, the levels of wages; but this attempt cannot succeed in doing away altogether with the disparities. (Page 103).

48. The labour and skill involved in work in the different occupations is undoubtedly the main criterion to be adopted in determining differentials, but illustrations we cite show how the evaluation of this criterion may differ from centre to centre. (Page 104).

49. While we agree that advantage should be taken of the adoption of schemes of standardization to reduce disparities, that end should be achieved not by effecting cuts in the rates for any occupation but by a process of levelling up when the standardization lists are framed. (Page 105).

50. Standardization of wages can be introduced with success only if labour co-operates. (Page 105).

51. It is essential that before schemes of standardization are drawn up or revised in future, proper facilities should be granted by employers' organizations to representatives of trade union organizations to study the machinery in use and the methods of working in vogue. (Page 106).

52. To ignore the increases granted in accordance with the recommendations made in our Interim Report and to seek to stabilize wages on the basis of the level prevailing in 1937 will, in our opinion, be tantamount to enforcing wage cuts which were partially restored in 1938. (Page 108).

53. The various differentials between occupation and occupation are justified by the employers as being determined by considerations of output of work, but varying as they do from centre to centre and occasionally even in a centre, it is not possible to accept them as having necessarily a scientific basis. (Page 109).

54. A formidable difficulty in the way of standardizing the earnings of winders is that of dividing the work among the women on the musters. (Page 110).

55. On the whole the scheme for weavers' rates proposed by the Millowners' Association, Bombay, is sound. (Page 111).

56. In response to a request from the Millowners' Association, Bombay, and after consulting Government in the matter, we have drawn up a scheme of standardization of wages for mills in Bombay which is reproduced *in extenso* at the end of chapter V. (Page 114).

57. We have approached the question of standardization not by determining a normal period but from a different angle and have based our recommendations on what appeared to us to be reasonable and fair looking to prevailing economic conditions, that is, the economic conditions on the eve of the war. (Page 116).

58. It has not been possible for us to accept the contention of the Millowners' Association, Bombay, that their proposals represent a level suitable for normal times. (Page 116).

59. We hold that the existing level of wages is, at the level of the cost of living ruling in August 1939, suitable for times of normal trade. (Page 117).

60. The demand for any material reduction or increase in the wage bill must be considered by itself as a separate issue and not as a part of a scheme for standardization. If a wage reduction is incorporated in a standardization proposal, this may well result in creating a permanent prejudice against standardization in the minds of workers and make them always suspicious of such proposals. (Pages 117 and 118).

61. We hold that it would serve no useful purpose if we went beyond the facts collected in 1937 and conducted an inquiry into the general question of comparing the levels of wages as between Bombay and Ahmedabad. (Page 118).

62. We do not think it necessary to examine this question in detail also because we hold that the time has not yet come when it is possible to have a uniform level of wages in the industry throughout the Province. (Page 118).

63. An attempt to enforce a uniform level of wages—even when an allowance is made for the cost of living—would involve too numerous and too considerable changes in wage rates. (Page 118).

64. An approach to uniformity must be through at least two previous stages. These stages are: first, the imposition of a minimum wage level for a region which will considerably narrow the disparities within the region, and second, the standardization of wages for the region. (Page 118).

65. The introduction in 1934 of the minimum wage schedule in Bombay paved the way for standardization in that centre. (Pages 118 and 119).

66. Standardization should be based on conditions obtaining in a centre by itself and its consideration should not at the initial stage be complicated by attempting a definite correlation to an extraneous wage level. (Page 119).

67. We have, in framing our scheme of standardization for Bombay, adopted broadly the basis of the existing level of wages in that centre. (Page 119).

68. We have not been able either to define the duties of the different categories of workers or to indicate their comparative strength in each process or department. (Page 119).

69. A precise definition of his duties is of the utmost importance from the point of view of the worker. (Page 119).

70. The determination of the number of helpers, whenever they are given to piece workers in any department, is absolutely necessary and should be attempted, immediately a scheme of standardized wage rates is put into force. (Page 120).

71. It will be advantageous to both parties to have the duties of workers clearly defined and the musters standardized so that practice is made uniform from unit to unit and the investigation of complaints and the settlement of disputes is thereby made easier. (Page 120).

72. In determining, for purposes of standardization, the present level of earnings in each occupation we have proceeded by ascertaining the average earnings revealed by the sample wage census of 1937 and adding thereto the increment appropriate to the category of earnings in the schedule, incorporated in our Interim Report, in which the average fell. (Page 120).

73. We see no justification for differences smaller than eight annas in the wage rate schedule for time workers and we have taken advantage

of this opportunity to eliminate to some extent the large number of small differentials that have grown up in the industry through course of time. (Page 121).

74. We have considered it necessary in respect of the lowest wage categories to take action of the type we expect the Trade Board to take in the direction of raising the wages and have recommended standardized wage rates accordingly. (Page 121).

75. The lowest wage proposed by us is Rs. 20 per month for women sweepers. (Page 121).

76. We have put doffers and creelers on an initial wage of Rs. 22 per month in view of the fact that their occupations are considered as learners' occupations. (Page 121).

77. The wages of men sweepers are put at Rs. 24 per month, and those of coolies and other unskilled workers at Rs. 25 per month. (Page 121).

78. The increases in wage rates which these figures represent are, no doubt, somewhat substantial so far as the particular classes of workers are concerned; but they amount in the aggregate to a very small percentage of the total wage bill. (Page 121).

79. We have not attempted any other adjustments regarding occupational gradations and have, in general, adhered closely to existing levels of payments. (Page 122).

80. We have retained the differentials revealed by the 1937 census as modified by the graded schedule of the increments granted in 1938. (Page 122).

81. We have thought it most proper not to disturb the mutual relationship which exists today between the different categories of workers in the frame department. (Page 122).

82. Inasmuch as doffers and creelers are looked upon as serving in apprentice occupations, we have fixed for these occupations an initial wage lower than that for the unskilled workers. (Page 123).

83. We recommend that the following scale of increments be granted to doffers and creelers in the frame, ring spinning, doubling and warping departments, provided they continue in the service of the same mill in the same occupation in which they were originally recruited:

Re. 1 after completion of two years' service;

Re. 1 additional after completion of three years' service;

Re. 1 additional after completion of four years' service. (Page 123).

84. The proposal of the Millowners' Association, Bombay, for grading the wage rates for ring spinning according to the number of spindles alone has been accepted by us as more satisfactory than the present one which is based also on a differentiation between single and double side working. (Pages 123 and 124).

85. We see no justification for abolishing the additional payment for minding weft frames that has always been made in Bombay. We have fixed the scale of allowance at annas eight for weft frames containing

275 spindles or less and at Re. 1 for weft frames having 276 spindles and over. (Page 124).

86. We have graded the rates for the different classes of ring siders after an examination of figures relating to the number of spindles in the spinning frames in mills in Bombay and after a consideration of the figures of the minimum wages earned by siders on the frames with the most common frequency under the scheme of minimum wages now in operation. (Page 124).

87. When the rationalized system of work becomes the predominant system, it would be wrong to calculate the wage of the rationalized worker in terms of a proportion on a given basic wage. The wage should then rather be directly calculated in relation to its place in the general scheme of occupational gradation. (Page 124).

88. This point has been reached in Bombay with regard to the working of double sides in ring spinning. (Page 124).

89. We have fixed the standard wage of the double sider at about the level of his actual average earning today. (Page 125).

90. The smaller difference in the percentage between the wage of the single sider and that of the double sider which we have fixed has been arrived at not by calculating how much more the double sider should get than the single sider but how much less the single sider should get than the double sider. (Page 125).

91. Looking specially to the fact that in Bombay the single sider works mostly on frames spinning coarse counts, the difference between the remuneration of these two classes of workers should not be greater than that provided for by us. (Page 125).

92. Where single side working is mostly on coarser counts the deduction allowed for it from the standard wage for the double sider should not be considerable. (Page 126).

93. We have put forward our proposals in respect of piece-work occupations other than weaving in the form of standard levels of earnings on the basis of which piece-work rates should be worked out later. (Page 126).

94. We recommend that the work of the preparation of piece-work rates for all these departments should be done by the Standardization Committee which we propose should be set up. The structure of piece-work rates prepared by the Standardization Committee for the various departments will have to be the same for all the mills. The Committee may, however, allow variations in piece rates if it is satisfied that particular circumstances warrant such variations, provided, of course, that in each case the piece rates prescribed yield the standard levels of earnings fixed by us. (Page 126).

95. We have based our recommendations with regard to reelers and winders on information regarding earnings in mills and centres where workers in these departments are kept fully occupied and on considerations regarding the position which women process workers

should occupy in relation to the other categories of workers such as men and women unskilled workers. (Page 127).

96. While realizing fully the difficulties in the way of reducing the excess of workers in the reeling and winding departments, we are of opinion that a large permanent excess is in the interest neither of workers nor of employers and that steps should be initiated immediately to deal with the problem. (Page 127).

97. We recommend that the Standardization Committee should ascertain the extent of this excess in individual mills and should devise means so that it is eliminated within a period of two years. (Page 127).

98. We have provided that the Standardization Committee should see that the actual earnings of piece workers in departments for which standard piece rates have not been fixed by us come up to the standards of earnings laid down by us. (Page 127).

99. We propose, as a transitional measure, the introduction of a guaranteed time rate for workers in these departments similar to that provided by the British Trade Boards. (Page 127).

100. We recommend that a guaranteed time rate of annas eleven per day for reelers and grey winders and of annas twelve per day for high speed, pirn and colour winders should be prescribed and workers in these departments whose piece-work earnings for a pay-period fall below the earnings calculated according to this guaranteed time rate should be paid according to the time rate. We consider this provision absolutely essential in order to provide for minimum earnings to workers for the time spent by them in the factory. (Pages 127-128).

101. We have fixed the wages of the back sizer at 55 per cent. of the wages of the front sizer instead of half. (Page 128).

102. Similarly, we have fixed the wages of the reacher at 60 per cent. of the wages of the drawer-in instead of half. (Page 128).

103. For the reacher we recommend a standard earning of Rs. 27 per month. (Page 128).

104. The standard for the basic rates for weaving adopted in Ahmedabad is somewhat higher than that originally proposed for Bombay and we recommend its adoption except for looms 80", 90" and 100" wide for which we retain the original rates proposed by the Mill-owners' Association, Bombay. (Page 129).

105. We do not recommend the adoption in Bombay of the Ahmedabad scheme of allowances and have incorporated the Bombay scheme, with a few minor changes, in our recommendations. (Page 129).

106. While approving in a general manner the structure of the scheme of allowances we cannot give a definite opinion on the scales of the individual allowances. In our opinion, these scales should not be finally fixed until the scheme has been in operation for some time. (Page 129).

107. We recommend that, while payment of wages to weavers according to the scheme should begin immediately on the adoption

of standardized rates by the industry in Bombay, the Standardization Committee should watch the results of the working of the scheme and study the yield in practice on the different types of cloth and compare them with actual earnings and differentials obtaining today. (Page 129).

108. The Bombay Strike Enquiry Committee had differentiated between a two-loom system and more-loom systems in the case only of the allowance for two-beam sorts. We have reintroduced that differentiation in our scheme. (Page 130).

109. We recommend that the Standardization Committee should consider whether it would be necessary to revise the scale of allowances when applied to systems of working other than the two-loom system. (Page 130).

110. In framing our proposals we have taken account of the increased earnings that should accrue to workers in return for the increase in the number of machines to be attended to by them with the introduction of efficiency measures. We have allowed for such increases as have seemed to us appropriate for particular occupations. (Page 130).

111. If, however, there are any occupations not covered by our proposals, we recommend that it should be one of the functions of the Standardization Committee to examine the position and to fix suitable standard rates for workers in these occupations. (Page 130).

112. We have kept out of the purview of the scheme drawn up by us all workers engaged in a supervisory capacity. (Page 130).

113. We recommend that Government should appoint, as early as possible after the scheme of standardization of wages is brought into operation, a Standardization Committee for Bombay for the purpose of attending to the working out of the details of the scheme, watching its operation and making suitable adjustments in it. Apart from these three main functions, it will be the duty of the Committee to examine particularly the working of the scheme of allowances in weaving rates as now provisionally approved of by us and to make suitable changes six months after the coming into operation of the scheme, in the light of the comments that we have offered and of the experience gained of the effect on actual earnings of the scales of allowances. Another function of the Committee will be to examine and approve or revise piece-work rates for the speed frame, reeling, winding, warping and drawing-in departments. (Pages 130 and 131).

114. The following procedure should be adopted by the Standardization Committee in conducting its work:

(1) A type standard should be set up for an average mill.

(2) A departure from the type standard should be made only in ascertained special circumstances.

(3) Monthly compilations of departmental earnings, average and individual, should be obtained and scrutinized.

(4) The payment of the guaranteed time rates for piece workers, wherever recommended, should be enforced.

(5) The rates for piece-work occupations initially approved by the Committee should be made final on expiry of a period of six months from the date of their adoption, after examination of the results in the shape of actual earnings. (Page 131).

115. The Standardization Committee should consist of seven members to be appointed by Government—an independent chairman and three representatives each of employers and workers. The appointment of these representatives should be made by Government after consulting the Millowners' Association, Bombay, the Bombay Provincial Trade Union Congress and unions of cotton textile workers in Bombay registered under the Indian Trade Unions Act, 1926. (Page 131).

116. Matters relating to schemes of standardization of wages should, we recommend, be excluded from the purview of the Bombay Industrial Disputes Act, 1938. (Page 131).

117. We realise that in particular cases the adjustments in wage rates consequent upon the introduction of the scheme of standardization recommended by us may be considerable in extent. A period of transition must be prescribed during which the adjustments may be made gradually. A period of six months will, in our opinion, be appropriate for the purpose. (Page 131).

118. Demands for particular or general changes in the scheme of standardization may be made any time by either side and it will be necessary to provide some permanent machinery which can suitably deal with them. It will be undesirable to have each such demand for change, or dispute in respect of it, taken through the stages provided by the Bombay Industrial Disputes Act, 1938. (Page 132).

119. In view of the suggested composition of the Trade Board and the questions which it will handle, it can appropriately deal with questions relating to changes in schemes of standardization already in operation. (Page 132).

120. We recommend that disputes and demands for changes regarding standardization in all centres—except where the scheme operates under an agreement for collective bargaining—should be referred to the Trade Board. (Page 132).

121. We recommend that the procedure to be adopted by the Trade Board with regard to standardized rates should be similar to the one we have recommended should be adopted by the Rationalization Committee. (Page 132).

122. On any matter concerning standardization on which the Trade Board is unanimous the decision of the Board should be legally binding on the two parties; where, however, unanimity cannot be obtained, the differing reports of the Board should be published and the parties should then be free to refer the dispute, by agreement, to the Industrial Court, or to arrive at an agreement on any other basis, or to resort, if they choose, to a strike or to a lock-out before arriving at a settlement (Pages 132 and 133).

123. We recommend that in centres and regions other than Ahmedabad and Bombay no attempt should be made at present to standardize wage rates, but that minimum wage regulation through the Trade Board should be enforced immediately in these centres or regions. (Page 133).

124. We recommend that after some experience has been gained of the working of minimum wage rates the Trade Board should attempt the framing of schemes of standardization for these centres and regions, beginning with Sholapur and Khandesh. In this manner, wage rates in the textile industry may, we hope, be standardized, in due course, throughout the Province. (Page 133).

Automatic Adjustment of Wages.

125. The justice and success of the cost of living sliding scales depend largely upon the nature of the cost of living index number and the extent to which the index number reflects changes in the workers' cost of living. (Page 147).

126. Cost of living sliding scales assume importance in times when rapid fluctuations take place in the value of the monetary medium, especially at times of rapid rise in prices. (Page 148).

127. The Sholapur grain allowance contains some elements akin to a cost of living sliding scale but it has other elements incorporated into it, the chief of which is the element of a good attendance bonus. (Pages 149 and 150).

128. Except in times when prices are rising rapidly, the majority of points, in respect of which differences are likely to arise between employers and employed regarding wages, cannot be covered by a cost of living sliding scale. (Page 150).

129. It is neither desirable nor necessary to recommend the adoption of a sliding scale based on any cost of living index number in the cotton textile industry of this Province. (Pages 150 and 151).

130. We do not advocate the establishment of individual profit-sharing schemes in the cotton textile industry. (Page 152).

131. Sliding scales based on some external variables such as the selling price of the product are not suited to the cotton textile industry. (Page 152).

132. Without a very drastic legislative limitation of dividends, commissions, etc., any scheme of proceeds-sharing is capable of augmenting the workers' wage only by a small percentage. The percentage will be so small that it will not materially affect the efficiency of workers or help to improve industrial relations. On the other hand, the variations in this percentage addition may themselves well become an additional source of disputes. (Page 158).

133. We do not consider that a scheme of automatic adjustment can be used as a means to attain the living wage standard. (Page 159).

134. The institution of a wages equalization fund for a centre as a whole is neither desirable not is it likely to be agreed to by employers. (Page 159).

135. We do not recommend that any attempt be made to set up arrangements for the automatic adjustment of wages in the cotton textile industry. (Page 161).

Working of Shifts.

136. In industries requiring continuous processes, night shift is inescapable, but, in most countries, the tendency has been to discourage the working of more than one shift in non-continuous processes save in exceptional circumstances. (Page 164).

137. Whatever the purposes for which night shift may be worked—reduction of costs of production, meeting foreign competition or supplying a temporary increase in demand—it possesses certain obvious economic advantages. (Page 165).

138. In the absence of exhaustive investigation it is difficult to say at what hour at night appreciable deterioration in production sets in. (Pages 165 and 166).

139. There is a good deal of evidence in support of the view that if night work ends at or about midnight, there would be no appreciable difference, either in respect of quantity or quality, between production by day and by night. (Page 166).

140. Besides good lighting and ventilation, adequate dining accommodation is an essential need. It is necessary that such accommodation should be more ample for night workers than for day workers because it is usually not possible at night to use other parts of the mill compounds for the purpose. (Page 166).

141. Night work involves a disturbance in the usual hours for meals and such disturbance has naturally a harmful effect on health. (Page 167).

142. The question of extra strain and fatigue during night shift has not been examined by the mill authorities or any other organizations and the views expressed before us were not supported by data scientifically compiled. (Page 167).

143. There is little doubt that the living conditions of the workers contribute to making night work more onerous than day work. (Page 167).

144. Living as the workers do, with very few exceptions, in one room tenements, they are not able to have sound, continuous and refreshing sleep during the day as easily as at night owing to the street noises and the sounds inseparable from the carrying on of household routine. (Page 167).

145. Apart from the objection that to work at night, turning night into day, is unnatural, night shift upsets family life. (Page 168).

146. The night shift worker is not able to participate in organized games or to take advantage of recreational facilities and his opportunities for social intercourse and activities are also considerably restricted. (Page 168).

147. Another drawback of night shift from the point of view of the working class as a whole is its effect on their organizational work. (Page 168).

148. Night shift working, to a great extent, interferes with the educational advancement of the worker who may not be able to avail himself of the usual facilities for adult education. (Page 168).

149. Night shift as a permanent and regulated feature may provide increased employment in an industry, but the spasmodic working of night shifts, while temporarily offering additional employment, ultimately aggravates the evil of unemployment, by attracting to industrial centres an unduly large number of men. (Page 169).

150. Wide fluctuations in the periods for which night shifts are worked create considerable economic distress. (Page 169).

151. The problem before us resolves itself into one not of abolishing night shift but of so regulating it as to secure the maximum advantage to the industry with the minimum discomfort to the worker. (Page 170).

152. Having given careful consideration to all aspects of the question, we do not suggest an extra payment for night work. We hold that the proposals that we make for the regulation of night shifts will adequately safeguard the interests of the workers, without placing on the industry the burden of additional wages. (Page 171).

153. A modification of the two-shift system so that the second shift closes as early as possible at night would best meet the requirements we have in view. It would enable the worker to use a considerable part of the night for sleep and would thus largely mitigate the evils of night work. It would also not impose any considerable handicap on the industry. (Page 173).

154. We recommend that textile mills must cease work for a period of at least six consecutive hours between the hours of 12 midnight and 7 a.m. except when a three-shift system is permitted and that a two-shift system should be allowed only on the basis of two shifts of 8½ hours each, exclusive of half an hour's interval for rest for each shift. (Page 173).

155. This recommendation will not only adequately meet the objections to night shift, without involving its entire abolition, but will also secure to the employers all the advantages of two-shift work. (Page 173).

156. The disadvantages of night shift become pronounced because, in most instances, workers have to do night work continuously without a change-over. (Page 174).

157. The advantages of a change-over system from the point of view of the workers on night shift are definite and clear. It gives to workers periodic relief from the irksomeness of night work and it may be an effective measure to induce them to accept night shift. (Page 175).

158. We recommend that whenever night shift in a factory is stopped, workers should be retained in employment according to the length of their service. (Page 175).

159. This safeguard will meet the main objection of the workers to a change-over, and we, therefore, recommend that the change-over should be made compulsory by law. (Page 175).

160. In occupations where women are employed, the Chief Inspector of Factories may, in exceptional circumstances, permit men working on night shifts, on jobs or machines attended to by women workers during the day, to be continuously employed on night work. (Page 175).

161. Where the number of workers employed on night shift in a mill does not exceed fifty or ten per cent. of the total number of employees, whichever is less, the Chief Inspector of Factories may allow such workers to be engaged continuously on night shift for a period not exceeding six months. (Page 175).

162. We recommend that the period of change-over be fixed at one month as it has to be a sufficiently long one to afford the workers a chance of becoming accustomed to altered hours and habits. (Page 176).

163. The present position, so far as starting of night work is concerned is unsatisfactory, and we recommend that a system of licensing should be, adopted with a view to ensure that the minimum requirements regarding lighting, dining accommodation as well as working conditions generally are satisfied. (Page 176).

164. Before permission is given for starting night shift, an inquiry must be made by the Chief Inspector of Factories who should be notified at least fifteen days before night shift is intended to be started. (Page 176).

165. The regulations regarding lighting, dining accommodation, etc., must be definite and must be strictly enforced. (Page 176).

166. We recommend that once any type of night work is started it should be continued for a minimum period of three months. The Chief Inspector of Factories may, however, be empowered to permit, in exceptional circumstances, the working for shorter periods of night shift which involves the employment of not more than one hundred workers. (Page 176).

167. Having provided that the minimum period for the working of night shift should be three months, we do not think it necessary or desirable that a longer notice than that of a month should be given to permanent workers for the closing down of night shift. (Page 177).

168. We do not favour the working of three shifts, as it involves work after midnight. (Page 177).

169. We recognise that there may be exceptional circumstances justifying three shifts, and we, therefore, recommend that special licenses may be given by the Chief Inspector of Factories for working of three shifts provided the factory concerned is prepared to continue the shifts for a sufficiently long period. (Page 177).

170. Special permission may also be given for work to be done between midnight and 7 a.m. for certain departments, such as the engine room. (Page 177).

171. There is one department in which night work should, in no circumstances, be permitted, and that is the drawing-in department. (Page 177).

172. There would be no serious practical difficulty in getting all the work required for two shifts done during the day in this department, especially as the amount of the capital expenditure involved in extending this department would be very small. (Page 177).

173. We recommend that, as far as possible, winding and reeeling work should be completed during the day as it is undesirable that men should be employed continuously on night shift work in these departments (Page 178).

174. We suggest that the All-India Industrial Council the early establishment of which is urged by us should examine the question of regulating night shift for the whole country. All-India action on the regulation of night shift, if it could be secured without much delay, would be welcome. On the other hand, it has to be remembered that the provinces are now competent to undertake labour legislation and there is much to be said in favour of the view that if one province gives a lead in regulating night shifts other provinces will follow suit. We recommend that legislation on the lines suggested by us be undertaken in the Province of Bombay as early as possible. (Page 178).

175. We recommend that all multiple shift systems should be prohibited except the double straight shift, and the three-shift systems under a special license. (Page 179).

Rationalization.

176. We use the term rationalization as including efficiency schemes. (Page 183).

177. India must take the greatest advantage of all means and resources at its disposal which will enable it to stabilize the cotton textile industry and to face successfully the competition of other countries which have attained a high degree of efficiency in production. (Page 194.)

178. It is true that the export market is small, but the internal trade demand should prove sufficient to call for much greater production than at present. (Page 194).

179. There is a genuinely rational method of running the industry in which higher wages and lower prices can go together. That such a method is within the range of economic possibilities is borne out by the results obtained in highly rationalized industries in the modern world. (Page 195).

180. By a judicious application of efficiency measures, the use of machinery could be made a means of raising the standard of living of wage earners. (Page 195).

181. It is not necessary to elaborate the point that rationalization may lead to an increase in wage rates. (Page 195).

182. Besides effecting an increase in wages, rationalization may also lead to a reduction in hours of work. (Pages 195 and 196).

183. If the use of methods of rationalization reduces the cost of production, raises the wages of workers and cheapens cloth, we have no doubt that India in general and the Province of Bombay in particular stand in need of its adoption. (Page 196).

184. It is eminently desirable that all the three parties to be benefited by rationalization, namely, the employers, the workers and the State as representing the consumers should co-operate in facilitating its smooth working. (Page 196).

185. It must be realized, above all, that the co-operation of employers and workers is vital to the success of rationalization. (Page 196).

186. We are definitely of opinion that, if the industry is to prosper, workers must be taken into confidence and earnest endeavours should be made to remove their just apprehensions. (Page 197).

187. We would commend the suggestion made to us that research and experiments for reducing strain and fatigue and for overhauling machinery where necessary should be made in Bombay by the combined efforts of the Victoria Jubilee Technical Institute, the Technological Laboratory of the Indian Central Cotton Committee and the Department of Technology of the University of Bombay and their results should be made available to cotton mills in the whole Province. (Page 199).

188. We also suggest that the millowners' associations may engage experts with competent staff whose services can be made available to member mills desiring to adopt efficiency measures. (Page 199).

189. Necessary requisites to the introduction of efficiency measures in cotton mills are : (*a*) the use of better quality of cotton and good mixings ; (*b*) the keeping of machinery in good working condition ; (*c*) the lowering of the speed of the machines where necessary ; (*d*) the provision of proper arrangements for light and ventilation ; (*e*) the giving of assistance to the workers for bringing and removing materials ; and (*f*) the maintenance of a separate staff for cleaning and oiling. (Pages 199 and 200).

190. It is very difficult to introduce rationalization in weaving where there are a number of looms of different widths producing different styles and designs of cloth. (Page 201).

191. Definite regulations should be framed regarding the widths of looms and the types of cloth where more than two-loom weaving is resorted to. (Page 201).

192. Concentrated work for a period of four to five hours naturally imposes strain on workers and there is, therefore, some slackening of effort especially in the latter part of the period. (Page 201).

193. In order to counteract the effects of the strain of rationalized work we think that employers would do well to consider the feasibility of introducing a short rest pause during each working period (Page 201).

194. We are unable to pronounce any considered opinion on the extent of the additional strain involved in work on rationalized processes as we have no definite data on the subject. (Page 202).

195. An average textile worker in Bombay or Ahmedabad is capable of turning out as much and as good work as his compeer in

industrially advanced countries if he is properly looked after and trained and if there is co-operation between him and the management. (Page 202).

196. The essence of the success of any efficiency scheme is that it should be launched with the co-operation of those who have to work it. This must as far as possible be done after mutual consultation and after securing the best technical advice available. (Page 202).

197. No employer should be permitted to start any efficiency scheme in his mill without previous consultation with the workers and without submitting it to the scrutiny of technical experts. (Page 202).

198. We recommend the setting up of a Rationalization Committee to be appointed by Government and consisting of three representatives of employers and three representatives of workers, with two expert assessor members, presided over by an independent chairman not connected with the cotton textile industry. (Page 202).

199. The various millowners' associations and trade unions of the Province should be asked to recommend the names of suitable persons and Government should nominate the members from panels so formed. (Page 202).

200. The function of the Committee should be to examine schemes of rationalization submitted to it by employers and also to hear complaints and disputes arising out of such schemes already introduced. (Page 202).

201. The Committee should inquire whether working conditions of the nature we have set forth have been established to its satisfaction. (Page 203).

202. After the inquiry is complete, the Committee should publish its report in which it may sanction, reject or modify the scheme, or sanction it, subject to the fulfilment of certain conditions. (Page 203).

203. If the report is unanimous, the employer will be entitled to introduce the scheme according to the terms and conditions laid down in the report. (Page 203).

204. If it is not unanimous, the majority and minority reports should both be published and the findings of the majority report should be given effect to. (Page 203).

205. Any person or party aggrieved by the majority report should be entitled to apply to the Industrial Court, established under the Bombay Industrial Disputes Act, 1938, for a revision of the decisions embodied in that report. (Page 203).

206. The majority report may be mainly in favour of one party, but if it is not wholly acceptable to that party, it also can apply to the Industrial Court for its revision. (Page 203).

207. The Industrial Court, after a perusal of the reports and after hearing the parties concerned, if necessary, shall publish its award. (Page 203).

208. The employers can put into operation rationalization schemes only according to the unanimous or majority report of the Rationalization Committee, or under the terms of the award of the Industrial Court. (Page 203).

209. No employer should be permitted to introduce any rationalization scheme, and no worker should be permitted to go on strike on the proposed rationalization until the matter is finally disposed of either by the Rationalization Committee or by the Industrial Court, as the case may be, and adequate sanctions by way of penalties should be provided for breach in both cases. (Page 203).

210. The employers should have the liberty of taking steps to introduce rationalization as approved by the Rationalization Committee or by the Industrial Court and if the workers employed in the departments to be rationalized refuse to work according to the approved scheme, the employers would be justified in discharging those workers without notice and without any unemployment gratuity and in engaging other workers. (Page 203).

211. If any workers go on strike in smypathy with the discharged workers, such a strike should be regarded as unjustified. (Page 203).

212. It is necessary that a time limit should be fixed for the disposal of these proceedings, and we suggest that the Rationalization Committee should publish its report within three months of its taking cognizance of the matter, unless the time is extended by consent of both parties. (Page 203).

213. The party applying to the Industrial Court for revision should do so within one month of the publication of the report, and the Industrial Court should publish its award within two months from the date of the application for revision, unless the time limit is extended by the Court. (Page 203).

214. The provisions with regard to the constitution of a Rationalization Committee and its functions are a departure from the present provisions of the law as relating to rationalization under the Bombay Industrial Disputes Act, 1938. (Pages 203 and 204).

215. Whatever measures of rationalization have been introduced in Ahmedabad have operated more smoothly there under the supervision of a Joint Rationalization Committee than in Bombay, where such measures have been introduced without such joint consultation. (Page 206).

216. We hold that questions connected with rationalization should not be allowed to be dealt with under the machinery provided for by the Bombay Industrial Disputes Act, 1938. (Page 206).

217. We trust the recommendations we have made will go a long way towards removing the apprehensions of the workers regarding hasty and ill-conceived schemes of rationalization. (Page 207).

218. Although rationalization may lead to unemployment, this would be a lesser evil than having a vital industry in a weak and inefficient state; such an industry would naturally be incapable of making sufficient profits to give its workers decent wages and to attract the requisite supply of capital and would steadily deteriorate, ultimately threatening to create a much greater volume of unemployment and economic distress. (Page 207).

✓219. In order to minimize the volume and effects of unemployment caused thereby, we would lay stress on the necessity of a policy of gradualness in its application and of the grant of unemployment relief. (Page 207).

✓220. We recommend that the workers to be retrenched should be those with the shortest length of service; and that the employers' associations should have the responsibility to see that the workers discharged as a result of rationalization in each centre are reabsorbed in the mills in that centre before new recruits are taken up. (Page 208).

221. The labour exchanges, millowners' associations and workers' organizations can by mutual co-operation do a good deal to reduce the volume of unemployment. (Page 208).

222. We recommend that an employer dismissing workers on account of the introduction of efficiency measures should pay out-of-work gratuity to the retrenched workers with service of one year or more at the rate of one week's pay for every six months' service exceeding a period of one year, subject to a maximum of six weeks' pay. Workers with twelve months' service should receive two weeks' pay. (Page 208).

223. For the purpose of this gratuity the pay of piece workers should be based on the average of their earnings for the three months prior to the date of discharge and time workers should receive the gratuity on the basis of the pay given to them at the time of their discharge. (Page 208).

224. An unemployment insurance scheme would be a more comprehensive form of relief. As that scheme, involving a contribution from employers, workers and Government, may take some time for its inauguration, we have provided for immediate relief in the shape of payment of gratuity by employers. (Pages 208 and 209).

225. It is very desirable that the rates for rationalized working should be standardized in each centre, so that all workers working on a particular kind of system get uniform rates. (Page 209).

226. We are against fixing a uniform percentage for distributing what are called the gains of rationalization. We think that, instead of having an arbitrary uniform percentage for all types of rationalized work, the increases for each existing type in each centre should be separately standardized after taking all the relevant factors into consideration. (Page 210).

227. For new types of rationalization that may be worked in future as well as for efficiency measures that may be introduced in centres for which a standardization scheme cannot be framed, we recommend that the Rationalization Committee should fix the percentage increases after taking into consideration the particular circumstances of each centre. (Page 210).

Financial and Industrial Reorganization.

228. In the existing circumstances of the cotton textile industry, better results are likely to be attained by economies accruing from close personal attention than from production or management on a larger scale. (Page 213).

229. The formation of pools for certain specific purposes represents a more modest method of reorganization which has, within degrees, yielded satisfactory results. (Page 214).

230. The possibilities of securing further economies by organizing a mutual fire insurance concern deserve to be further explored. (Page 215).

231. It is worth while examining whether by extending the scope of joint action in the direction of joint purchases of stores substantial economies cannot be secured in all the centres of the industry. (Page 215).

232. The suggestion made by the Tariff Board (1927) for the joint purchase of imported cotton is all the greater now, in view of the much larger quantities of such cotton consumed by the mills, particularly in Bombay and Ahmedabad. (Page 216).

233. The establishment of a warehousing corporation which can issue warehouse warrants or receipts that are of the nature of documents of title to goods is necessary in view of section 17 (4) (*d*) of the Reserve Bank of India Act. (Page 217)..

234. Railway receipts should be placed by the Government of India on the same footing as bills of lading. (Page 217).

235. The division of markets on the basis of the sources of supply, the allocation of the production of specialized sorts to specific units or centres and the better organization of the export markets for the common benefit of the industry should receive earnest attention if unbridled competition is to be checked. (Pages 220 and 221).

236. It is still worth examining whether a joint organization for the development of the export trade in cotton piecegoods will not yield better results than the isolated efforts of individual mills. (Page 221).

237. The need has to be emphasized for those in charge of the industry encouraging subsidiary industries and interesting themselves in the production, in India, of articles necessary for their normal requirements. (Page 223).

238. The need for continuous technical development in a highly organized and competitive industry like the cotton textile can scarcely be overrated. (Page 224).

239. We recommend that the arrangements for co-ordinating the activities of the Technological Laboratory of the Indian Central Cotton Committee, the Department of Chemical Technology of the University of Bombay and the Victoria Jubilee Technical Institute should be systematized and regular co-ordination secured among all the three institutions referred to ; contact should be established by these bodies not

only with mills in Bombay but also with mills in other centres in the Province. (Page 225).

240. We recommend that the Government of Bombay should, in consultation with the industry, take suitable measures for the promotion of technical research. The details of the scheme may be worked out in collaboration with the three institutions referred to above and towards the expenses of the proposed additional research equipment and establishment, half may be contributed by the industry and half by Government. (Page 226).

241. The advantages of having all mills brought under the influence of the millowners' associations are undoubtedly great, but in view of the progress made by them in increasing their strength voluntarily, there is no need to insist on compulsory membership. However, for specific purposes such as the supply of marketing information or the application of uniform standards in the registration of trade numbers and labels, compulsion may be called for. (Page 229).

242. We recommend that an All-India Industrial Council should be established in the immediate future to deal with problems relating to the cotton textile industry in the various Provinces and Indian States. (Page 232).

243. We suggest that the Council should be fully representative of the various interests in the country, namely, the employers, labour and Government, and should have ten members each to represent the employers and labour and ten more to represent the Government of India, the Provincial Governments and the Indian States. (Page 232).

244. We recommend that the Council should deal with the various matters detailed in the list of functions set forth by the Royal Commission on Labour in India and in addition with subjects bearing on technological and economic research and the regulation of output and prices. (Page 232).

245. It is essential that a convention should grow up for the policy and plans evolved by the All-India Industrial Council to be accepted and implemented by the various States as integral parts of their industrial and economic programmes. (Page 232).

246. While we would emphasize the paramount importance of making adequate provision for meeting the shrinkage in fixed assets, we do not see any need to recommend depreciation on the income-tax or any other basis being made a statutory charge on the profits. (Page 240).

247. It is the duty of the industrialist to see to it that when surplus profits are available in future they are utilized not in increasing the rate of dividends but in providing, if necessary, for arrears of depreciation and for the betterment of the position of the industry and the workers in it. (Page 251).

248. No statutory limitation of dividends is called for, although we strongly hold the view emphasized by the Tariff Board (1927) that in a period of prosperity it is in the ultimate interest of the industry

itself to husband its resources by building up various types of reserves. (Page 251).

249. While the conservation of its resources should be the keynote of the policy of the industry as a whole, it is open to flourishing individual units which, owing to a variety of causes, earn profits much above the average to allocate some portion of their surplus profits to workers' welfare funds. They can utilize the funds for providing additional amenities for their own employees, thus adding to the attractiveness of employment in their concerns. (Page 251).

250. While we do not favour the imposition of any restriction on the payment of dividends, we recommend that, when questions of the capacity of the industry to pay are under examination, a standard should be kept in view for a fair return to the shareholder and that this return cannot be placed at a figure which is much in excess of the average return on long-term gilt-edged securities in the period under examination. (Page 252).

251. The only sound policy is to correlate dividends to the paid-up share capital alone and when the conception of a return on the block is discussed to make full allowance for the various items in respect of which set-offs have to be given. (Page 252).

252. The payment of remuneration to managing agents as a percentage of the net profits is the most equitable of the three methods of remuneration in vogue and it tends to evoke the greatest measure of effort to secure profitable working. (Pages 254 and 255).

253. We hold that it will be a reflection on Indian employers as a class to suggest that to induce them to exert themselves to their highest capacity, remuneration has to be offered to them on a basis which is generally recognized as unsound. (Page 257).

254. The minimum sum payable by way of commission in the case of absence or inadequacy of profits should, we recommend, bear some relation to the size of the unit concerned. (Page 258).

255. If all the actual expenses on salaries, rents and contingencies are met by a company and a reasonable minimum remuneration is paid as commission even when there are no profits or the profits are inadequate, we see no justification for the continuance of the system of office allowances. (Page 258).

256. We are disposed to agree with the view that the incidence of the charges for marketing yarn and cloth is high in Bombay, and we recommend that efforts should be made to bring down the scale of commission. (Page 261).

257. It is essential that in any trade agreements that are entered into, the views of the industry as put forward through a representative body should always be kept in view. (Page 261).

258. The All-India Industrial Council should put forward proposals for securing facilities for credit and reduction in freight charges for the export trade in textile manufactures. (Page 261).

259. We recommend that the Government of Bombay should make proper representations to the Railway Board in the matter of the complaint made by mills in Sholapur regarding freight charges for cloth and cotton. (Page 261).

260. We recommend that some uniformity of policy in the matter of octroi duties, terminal taxes, water rates, etc., may be suggested by Government for adoption by the local bodies concerned. (Page 262).

Welfare Work and Social Legislation.

261. It would be highly desirable if a beginning were made in the Province of Bombay for the creation of a composite institute of industrial hygiene, industrial psychology and industrial welfare. (Page 264).

262. The duties of such an institute would comprise the carrying out of research work into industrial fatigue by making time and motion studies of different processes in industrial establishments and acting as a general clearing house for the collection and dissemination of up-to-date information regarding welfare activities in industrial establishments both in foreign countries and in India. (Page 264).

263. We recommend that the initiative in this direction should be taken by Government and that employers should be requested to make contributions both for the starting and for the maintenance of such an institute. (Page 264).

264. Speaking generally, organized welfare work of a comprehensive character in cotton mills in the Province of Bombay is conspicuous by its absence and is undertaken only in a comparatively small number of mills. (Page 266).

265. Welfare work, intelligently conceived and generously administered, must in the long run repay the employer in the higher standards of efficient work which he will be able to secure from his employees. (Page 267).

266. Of the needs of the worker, scarcely any is so important as cheap and decent housing accommodation. (Page 267).

267. The last decade has witnessed no appreciable change for the better in the matter of housing in the various centres of the cotton textile industry in the Province. (Page 268).

268. We endorse the view of the Rent Enquiry Committee, Bombay, that both in Bombay and Ahmedabad the supply of housing

accommodation of one-room and two-room tenements for the working classes has not kept pace with the demand, that rents continue to remain high and that the minimum amenities provided are still deplorably inadequate. (Page 268).

269. The housing conditions in the other urban areas covered by the industry in the Province are, in general, equally unsatisfactory. (Page 268).

270. There is no utility in the mills supplying housing accommodation unless a definitely higher standard is aimed at and unless considerations of profit-making do not enter into the transaction. (Page 271).

271. Although improvements have been effected in the Development Department chawls in Bombay, we hope the general plan adopted in the construction of these chawls will not be copied in any future housing schemes. (Page 272).

272. The problem of housing is not one which can any longer be left to private enterprise to solve in view of the influence attaching to decent hygienic living conditions in increasing the general efficiency of workers. (Page 275).

273. It is necessary to formulate a well-planned housing programme. (Page 275).

274. We recommend that Government should convene, as early as possible, in the various centres, conferences of all the parties interested in the provision of housing for examining the requirements and for drawing up plans for the construction of houses and for meeting the cost of the schemes. (Page 275).

275. Although Government should participate in the formulation and execution of the housing programmes, the main responsibility for development should rest with the local authorities. (Page 275).

276. In large industrial centres like Bombay and Ahmedabad the problem has now assumed such vast proportions that the Municipalities of both the cities may find it difficult to cope with the situation unless their efforts are supported by the Provin cial Government. (Page 275).

277. Where Government land is available, Government should agree to lease or sell it on concessional terms to or through the local body. Government should supplement the resources of local bodies by making grants and, where necessary, by means of legislation increasing their sources of revenue. Lastly, Government may assist in the floatation of loans for the financing of housing programmes or they may even float special loans themselves for this purpose or grant some form of guarantee such as will entitle the debenture or other stock that is issued to rank as a trustee security. (Page 275).

278. The housing of the lower paid workers at rents within their means should thus be accepted as a public service and the conferences to be convened should draw up programmes to be completed in a period of ten years. (Pages 275 and 276).

279. What rights are accorded to tenants by law cannot be denied to workmen staying in tenements owned by the employers. (Page 277).

280. While the burden of actually providing dwellings for industrial workers cannot be placed on individual employers, the employers of labour as a class can well be called upon to assist in the provision of finance for housing schemes undertaken by local bodies. (Page 277).

281. We do not favour the proposal put forward by the Tariff Board (1927), in paragraph 66 of its Report that blocks of chawls, built by the Bombay Development Department, might be taken over by groups of mills or by the Millowners' Association, Bombay. (Page 277).

282. The leasing of chawls should be not by the employers but by a public welfare body or by a tenants' co-operative society which can collect a small guarantee fund of its own. (Page 277).

283. Some of the larger co-operative societies for employees of mills which have accumulated fairly substantial funds of their own may well interest themselves in this new form of co-operative endeavour. (Page 277).

284. In order that the co-operative type of organization may be encouraged and may flourish, it is necessary that not only should Government continue their policy of granting long term loans at low rates of interest to co-operative housing societies to the extent of three-fourths of the cost of the land and buildings but also that they should actively encourage the formation of such societies. (Page 278).

285. In case there is a prospect of a large number of co-operative housing societies being organized in centres like Ahmedabad and Sholapur, Government may examine whether a special building corporation on the lines of British public utility societies cannot be started to provide the housing societies with cheap long term capital. (Page 278).

286. It is desirable in future to discourage the construction of one-room tenements in Bombay. (Page 278).

287. Wherever such tenements are in existence, the standard of accommodation should be a minimum size of 180 square feet to house not more than four persons. (Page 278).

288. To conform to this standard, the existing one-room tenements should not provide for the residence of more than 2·5 persons per 100 square feet, so that each individual would enjoy a minimum floor space of 40 square feet. (Pages 278 and 279).

289. We endorse the view put forward by almost all the witnesses we examined on the subject that a two-room tenement should be considered as the minimum requirement. (Page 279).

290. Municipalities should be empowered to deal expeditiously with houses considered unfit for human habitation and to arrange for their demolition or their immediate conversion to non-residential use. (Page 279).

291. The structures constructed entirely of corrugated iron sheets and other types of semi-permanent sheds should, we recommend, be similarly dealt with. (Page 279).

292. By suitable changes in the present enactments, local authorities should be authorized, we recommend, to take in hand and execute housing schemes in the areas served by them. (Page 279).

293. Nothing impressed us more during our tours of the various cotton textile centres of this Province than the almost complete absence of education among the workers. (Page 279).

294. This lack of education is partially responsible for the slow and tardy development of labour organizations in this Province; it also affects the efficiency of the workers. (Page 279).

295. Although we hold that the main responsibility for education must ultimately rest with the State, we cannot subscribe to a principle which absolves employers as a class from assuming any responsibility in the matter of the education of their employees and their children. Industry is bound to benefit by having a body of educated workers. (Page 281).

296. The action taken by employers in the cotton textile industry in regard to education must be considered as very meagre. (Pages 281 and 282).

297. The employers in the cotton textile industry in this Province can do much to help the local authorities by keeping a record of the children of their workers and persuading the latter to send their children to schools in areas where they exist. (Page 284).

298. These efforts would meet with considerable success if the employers would also offer to pay the cost of all books, slates and pencils. (Page 284).

299. Wherever possible, the employers should place suitable premises either in mill compounds or in mill chawls at the disposal of the educational authorities for the opening of schools. (Page 284).

300. Employers can also assist by buying suitable literature for children and distributing it free of charge to such of their workers as desire to make use of them for their children. (Page 284).

301. The supervision and inspection of educational classes for adult workers conducted by the various agencies should be taken up by the Provincial Board of Adult Education, which should be the co-ordinating authority for the proper direction of these classes. (Page 287).

302. The Board may have for this purpose a special committee on which it may co-opt representatives of employers and workers' organizations. (Page 287).

303. It should be the function of the Board to frame suitable curricula and to undertake and encourage the publication of cheap and useful literature. (Page 287).

304. The Special Committee of the Board may also co-ordinate other efforts for the promotion of adult education, such as the preparation and display of lantern slides and the opening of libraries and reading rooms for workers. (Page 287).

305. The liquidation of illiteracy must always remain an ideal to which all efforts must continuously be directed, but that by itself will not provide a solution of the many problems of life and work of the masses. (Page 288).

306. Every possible effort should be made to attempt mass education in directions other than the acquisition of mere literacy. (Page 288).

307. Advantage should be taken of the screen and the radio in conjunction with others in utilizing both these means for the spread of wider knowledge among industrial workers. (Page 288).

308. It will be useful for the special committee of the Provincial Board of Adult Education to interest itself in efforts in this direction. (Page 288).

309. Under its directions programmes may be drawn up for the display of films of educational interest in industrial areas either in the compounds of chawls or in mill precincts. (Page 288).

310. Similarly, when radio sets are installed in the dining sheds, recreational clubs or workers' tenements owned by the employers or by Government, arrangements may be made by the Committee through All-India Radio for the reservation of suitable hours for broadcasting programmes likely to be of special interest to industrial workers. (Page 288).

311. The present provision of beds in public hospitals is inadequate and attempts should be made to increase this provision. (Page 289).

312. A letter from an employer offering to pay the charges laid down in Rule 8 of the Rules Governing the Levy of Fees in Government and State-aided Hospitals will facilitate admission into a hospital for his workers and we suggest that employers could, at moderate cost, render in this manner necessary medical service to such of their workers as may require institutional treatment. (Page 289).

313. We attach special importance to the regular inspection of factories by qualified medical officers and we, therefore, recommend the strengthening, if necessary, of the present medical staff in order that these duties may be carried out properly. (Page 290).

314. The existing medical work done by the mills is directed entirely to the curative side and no attention is paid to the preventive side for the maintenance of the good health of the workers. (Page 292).

315. There is a strong case not only for the maintenance of the existing mill dispensaries side by side with a scheme of compulsory sickness insurance but also for an improvement in the present standards and for the establishment of dispensaries in all those mills which have not got them at present. (Page 293).

316. We need hardly emphasize the value of a properly conducted periodical medical examination of the workers, especially of those engaged in processes prone to cause occupational diseases. (Page 293).

317. We recommend that committees of mill doctors should be formed at all the important centres of the cotton textile industry in the Province. (Page 293).

318. The duties of these committees would be to collect information on existing practices, to secure improvements wherever necessary and to exchange ideas. (Page 293).

319. The inquiries conducted by the Labour Office into Working Class Family Budgets in Bombay, Ahmedabad and Sholapur, and the special investigations carried out for us in other centres all point to the magnitude of the evil of indebtedness. (Page 294).

320. Borrowing at usurious rates of interest must necessarily lead to a state of permanent indebtedness. Relief from this is possible only if action is taken simultaneously for the protection of the interests of the debtors and for the prevention of the growth of future indebtedness. (Page 296).

321. Among the measures called for for the protection of debtors the principal is legislation for the regulation of money-lending, and we hope that the Bill on the subject which has already been introduced in the Bombay Legislative Assembly will soon be placed on the statute-book. (Page 296).

322. Among the measures recommended for checking the growth of indebtedness, none is considered so important as the development of co-operation in all its aspects. (Page 296).

323. It is necessary that the co-operative societies that have been organized through the joint efforts of the workers, the employers and Government should be used for a much wider range of economic, social and cultural activities than have been contemplated hitherto. (Page 298).

324. The societies should become agencies for providing various educational and recreational facilities, such as the starting of adult literacy classes, the opening of reading rooms and libraries and the encouragement of games and entertainments, financing these out of the combined surplus profits of the various sectional societies in a mill and making joint arrangements for the supervision of the work. (Page 298).

325. The collection of small savings may be tried on more systematic lines than is the case today, and the societies should provide facilities for the remittance of funds to the homes of workers through the Post Office or local co-operative banks. (Page 298).

326. We recommend that steps should be taken to promote the formation of consumers' co-operative societies in Bombay and other textile centres. (Page 298).

327. Their main objects will be to enable the workers who become members to purchase food-grains, cloth and other household

requisites of good quality, and either these societies or separate institutions should be encouraged to take over the management of tea shops, restaurants and canteens. (Pages 298 and 299).

328. Group insurance cannot take the place of other forms of social insurance, but pending the introduction of the forms of social insurance recommended by us, we believe an attempt may be made to introduce a scheme of group insurance in some of the larger and more prosperous mills in Bombay, Ahmedabad or Sholapur. (Page 301).

329. If such a scheme is drawn up with the necessary safeguards, it will be proper, in our view, to authorise under the Payment of Wages Act deductions being made from wages for payments on an approved contributory basis. (Page 301).

330. We recommend that the Government of Bombay should make rules under section 33 (1) of the Factories Act, 1934, requiring all mills in the Province to make adequate provision for dining rooms and rest shelters on standards to be prescribed by the Chief Inspector of Factories. (Page 301).

331. These rules should further provide that all mills employing fifty or more women workers should have separate retiring rooms for women. (Page 301).

332. We recommend that the Government of Bombay should modify the Factories Rules in such a way as to make it compulsory for all factories, where more than one hundred workers are employed, to arrange for an adequate supply of cool drinking water according to standards to be prescribed by the Chief Inspector of Factories and for the supply of such water in or near all the departments of a factory. (Page 302).

333. All mills should consider the advisability of starting proper canteens. (Page 303).

334. Mill restaurants, canteens and tea stalls should be run by co-operative societies of the employees or by the employers and they should be given over to contractors only as a last resort. (Page 303).

335. Employers should not make any profits in respect of the supply of refreshments to their workers and we, therefore, recommend that in all cases where such establishments are given over to contractors nominal rents should be charged by the mills concerned. (Pages 303 and 304).

336. We also recommend that the mill labour officers or, in their absence, the mill authorities, should periodically inspect the restaurants attached to the mills, in order to see that the refreshments supplied thereat are of good quality and that they are sold at reasonable prices. (Page 304).

337. Adequate leisure properly spent makes for better efficiency whilst at work. (Page 304).

338. No attempts should be spared—by Government, by local bodies, by the employers and by trade unions—to provide industrial workers with adequate facilities for a proper and helpful utilization of their leisure time. (Page 304).

339. Attempts by employers to provide recreation facilities for their workers must be considered as a move in the right direction, and expenditure incurred on such facilities would result in securing a healthier body of workers. (Page 305).

340. Wherever possible, mills should provide gardens and pleasant surroundings where the workers can relax during their spare hours. (Page 305).

341. We recommend that in mills which have mill doctors they should be entrusted with the duty of supervising the working of the creches. (Page 306).

342. We also recommend that standards should be laid down for the number and size of cradles for infants in arms and cots for young children. (Pages 306 and 307).

343. We further recommend that the existing rules should be so amended and amplified as to make it compulsory that free milk and clean clothing is supplied by the mill management in all creches, on standards to be prescribed by the Chief Inspector of Factories. (Page 307).

344. The minima laid down by the factory regulations for the provision of latrines and urinals are not sufficient and we recommend that Government should take immediate steps to make a more adequate provision in the matter. (Page 307).

345. We also recommend that steps should be taken for a more frequent examination by inspectors of the sanitary arrangements in and around the latrines and urinals of all cotton textile mills in the Province. (Page 307).

346. The proviso to section 5 (1) of the Bombay Maternity Benefit Act as it stands at present is liable to be interpreted as entitling an employer to refuse payment of maternity benefit to a claimant who has not put in nine months' continuous service up to the day when she gives notice of her claim. (Page 308).

347. This is an unsatisfactory position and we recommend that the Act should be so amended as to condone breaks in continuity of service due to strikes, playing-off or casual absence. (Page 308).

348. We recommend that where women are engaged in substantial numbers, there should invariably be employed at least one educated woman in charge of their welfare and supervision throughout the factory and that this person should be responsible to the Labour Officer, where there is one, and to the Manager, where there is not, for the engagement and dismissal of all the female staff, whether permanent or temporary. (Page 308).

349. We recommend that the expenditure incurred by cotton textile mills in connection with the provision of medical facilities for their operatives should not be met from fines' funds. (Page 310).

350. We see no reason why fining as a method of enforcing discipline should not be abolished in this Province. (Page 310).

351. We recommend that the Government inspectors who are entrusted with the work of examining the fines' registers in the concerns to which the Act has been applied should do all they can to persuade the managers of such concerns to reduce fining to a minimum. (Page 310).

352. Good attendance bonuses differ from unit to unit and even from department to department in the same unit. We have not been able to obtain any evidence that the existence of the bonus has the effect of reducing absenteeism, in departments or units where it is paid. On the other hand, this bonus as well as the efficiency bonus acts as a fine on workers who fail to attain the expected standard of performance in respect of attendance or production. (Page 312).

353. We are of opinion that good attendance and efficiency bonuses should be regarded as part of wages and we recommend that the Government of Bombay should move the Central Government to amend the Payment of Wages Act in such a way as will make it clear that good attendance and efficiency bonuses are to be regarded a part of wages. (Page 313).

354. We are not against the grant of bonuses on special occasions such as, for example, the grant of a week's or a fortnight's pay to all the employees of a concern on a festive occasion, or against the grant of a periodical bonus dependent on profits to which no conditions for the earning thereof are attached. (Page 313).

355. We recommend that the condition attached to the Sholapur grain allowance regarding attendance should be done away with. So long as the allowance continues, workers should be entitled to purchase a certain quantity of grain for a fixed amount deducted from their wages. (Page 313).

356. We recommend that the quantity of grain sold to the worker should be in proportion to the number of days put in by him in that month. (Page 313).

357. We were considerably impressed by the efforts made in a number of mills to secure comfortable atmospheric conditions for the operatives, but in others the conditions in some departments, especially in the preparatory and the weaving processes, were intolerable. (Page 317).

358. We recommend that all cotton textile mills in this Province should be required to maintain adequate air conditioning plants, on specifications and standards to be prescribed by Government, in the blow, card, frame, ring spinning and weaving departments. (Page 317).

359. We recommend that the Government of Bombay should amend the Factories Act, 1934, in such a way as to enable them, irrespective of the question of proof of injury to health, to frame rules with regard to the installation in all cotton textile mills of the necessary plant for the mechanical removal of dust liberated during the stripping process in the carding room. (Page 318).

360. Conditions in the mixing rooms where the mixing is done by hand are not such as to lend themselves to protection against dust being afforded by the installation of machinery and in such cases we recommend that employers should provide nasal respirators for the use of workmen. (Page 318).

361. Structural difficulties may prevent a wholesale rearrangement of machinery spacing, but the question should be examined with a view to the provision of more space between machines in those mills where sufficient attention does not appear to have been paid to the matter. (Page 318).

362. We recommend that the Department of Factories should conduct inquiries into the question of the necessity of providing gloves, goggles and foot protection for workers in bleaching and dyeing sheds. (Page 318).

363. The Government of Bombay should, if necessary, make rules requiring all employers to provide the necessary protection to the workers in these departments. (Page 318).

364. Although the principle that some form of provision for old age is essential in the interest of the industrial worker is now being increasingly recognized, circumstances do not permit the immediate introduction of old age pension schemes in the cotton textile industry of this Province. (Page 319).

365. Owing to the impracticability in the present state of development of the cotton textile industry of making any other immediate provision for old age or retirement, the system of paying retirement gratuities after about fifteen years' qualifying service should be introduced in the cotton textile mills in this Province. (Pages 319 and 320).

366. Model rules in this connection should be framed by the millowners' associations in this Province. (Page 320).

367. The institution of a provident fund system enables a more substantial provision being made against old age and retirement than the payment of gratuities. (Page 320).

368. We suggest for financially strong concerns the establishment of provident funds open to all classes of employees as a suitable method of building up a stable labour force. (Page 321).

369. We recommend that Government should make the provisions of the Provident Funds Act, 1925, applicable to such funds and include in the schedule of the Act the names of the cotton textile mills establishing provident funds so as to protect, under section 3 of the Act, the workers' contributions from attachment. (Page 321).

370. The scheme formulated by the Government of Bombay to provide for sickness and retirement, old age and death benefits, is a composite one intended to meet a number of requirements. Such a scheme cannot meet the need for insurance against sickness which, in our opinion, should claim priority over other social benefits. (Page 324).

371. A more satisfactory way of dealing with the problem would be to start a tentative sickness insurance scheme on a modest scale. (Page 324).

372. The absence of reliable morbidity statistics and the difficulties in the way of instituting an inquiry into the incidence of sickness should not be allowed to stand in the way of the introduction of a scheme of sickness insurance for the cotton textile industry in this Province. (Page 324).

373. A careful study of the working of the different sickness insurance schemes introduced in various countries, including that of an Eastern country like Japan, should make it possible to start in this Province a modest scheme on the usually accepted lines. (Page 325).

374. The main feature of such schemes is that they are elastic and that as experience is gathered and the funds grow in size the benefits may be extended. (Page 325).

375. We recommend that a compulsory and contributory sickness insurance scheme in which the employers, the workers and the State will all contribute should be started in Bombay and Ahmedabad in the first instance and extended subsequently to the other cotton textile centres in the Province. (Page 327).

376. The scheme should be very simple in character at least in its initial stages and both the contributions and the cash benefits payable under it should be fixed on a flat rate basis as in the British Health Insurance Scheme. (Page 325).

377. The scheme should be restricted to permanent workers in cotton textile factories. (Page 325).

378. It should be under the control of a Central Board of Management consisting of representatives of Government, local bodies, employers' and workers' interests and of the medical profession. (Page 325).

379. Expenditure in connection with the Board and its establishment should be borne by the Provincial Government. (Page 325).

380. We recommend the following benefits under the scheme :

(*i*) Medical benefit consisting of free medical treatment and attendance and free medicines and appliances. The insured persons should be entitled to medical benefit immediately after the payment of the first insurance contribution and they should also receive free medical certificates for health insurance purposes from the doctors appointed under the scheme.

(*ii*) Cash benefit commencing from the fourth day of incapacity and continuing for a period or periods up to a maximum of six months in a year at a flat rate but not exceeding 75 per cent. of the insured person's average daily wage during the preceding quarter.

(*iii*) Additional benefits as may be decided upon by the Central Board of Management from time to time according to the availability of surplus funds. (Pages 325 and 326).

381. The cash benefits should ordinarily be payable to the workers in the towns in which they are employed but not in cases where compensation for accidents or maternity benefits are provided for the insured persons under the Workmen's Compensation Act, 1923, or the Bombay Maternity Benefit Act, 1929. (Page 326).

382. The Central Board of Management may, however, allow the insured person, even if he temporarily leaves the town of his employment, to draw sickness benefits either at full or at reduced rates, provided he produces satisfactory evidence of his continued incapacity during the period for which the benefit is claimed in a manner to be prescribed. (Page 326).

383. The insured workers' share of the contributions should be deducted from their wages by the employers who should be held responsible for the payment into the sickness insurance fund of the total contributions of all the insured workers employed in their factories. (Page 327).

384. By way of illustrating the manner in which a scheme of sickness insurance can be worked out in accordance with the general principles formulated by us, we have given approximate calculations of such a scheme on a tentative basis. (Page 327).

385. The monthly contribution of an insured person shall in no case exceed five per cent. of his or her average monthly wages. (Page 327).

386. There should be a sliding scale of cash benefits according to the length of the period during which insurance contributions have been paid by a worker, but no benefits will be payable during the first six months after entering insurance. (Page 328).

387. As the object of a cash benefit is to give to the workers some assistance against loss in wages during the period of incapacity, we consider that the full rate of sickness benefit to be given to a sick worker should be about 50 per cent. of the average wage. (Page 329).

388. In case of the assumed sickness rate being exceeded it should be possible for the Central Board of Management to adjust the expenditure on sickness benefits either by slightly increasing the rates of contribution or by reducing the cash benefits. (Page 329).

389. On the other hand, if the actual sickness rate is found to be below the assumed rate of nine days per worker per year, the Board could utilize the surplus either in increasing the sickness benefit rates or by granting other additional benefits. (Page 329).

390. We recommend that, under the scheme, the insured person should have the right of choosing his own doctor from a panel. (Page 330).

391. On the basis of approximate calculations for the tentative scheme, employers in Bombay and Ahmedabad will have to contribute about six days' wages for each insured person per year while the workers' contribution will be about three days' earnings of an average worker. (Page 330).

392. We may refer to the fact that our attention was drawn by Government to their proposal for the introduction of legislation for certain sickness and old age benefits which might entail an addition of three or four weeks' wages to the annual wage bill. We took due cognizance of this in making the recommendations contained in our Interim Report. (Page 331).

393. An unemployment insurance scheme under which the cotton mill workers in this Province would be enabled to get a guaranteed benefit during short spells of unemployment in return for regular

payment of small monthly premia will go a long way towards protecting the workers' standard of living, increasing their efficiency and stabilizing the labour force in the industry. (Page 332).

394. The instability of labour and the size of its turnover should not present insuperable difficulties in an established industry, especially in centres like Bombay, Ahmedabad and Sholapur, in the way of the introduction of a scheme of unemployment insurance. (Page 332).

395. It is neither desirable nor necessary to wait for attempts at collecting data and for a possible increase in the stability of labour. (Page 333).

396. We recommend that the Government of Bombay should devise a scheme of unemployment insurance to be brought into operation, in the first instance, in Bombay and Ahmedabad. (Page 333).

397. Such a scheme will necessarily be confined to permanent workers in the industry and be of a compulsory and contributory character. (Page 333).

398. Any scheme that may be devised should be similar in character to unemployment insurance schemes in other countries. It should have, for instance, a provision for a waiting period which will considerably lessen the administrative difficulties and enable the available funds to be distributed amongst persons whose need is the greatest; a condition regarding a minimum period of previous employment in the industry and the payment of a minimum number of contributions during the period immediately preceding the date of the claimant's application for benefit which will ensure the accumulation of a moderate reserve fund; a restriction regarding a minimum period of employment before a worker can be considered as "unemployed"; and the limitation of unemployment benefit to certain maximum days in a benefit year which would facilitate the adjustment of the expenditure to the income side of the fund. (Page 333).

399. Like a sickness insurance scheme, an unemployment insurance scheme can also be framed on an essentially elastic basis. (Page 333).

400. The administration of a scheme of unemployment insurance should also be under the general control of the Central Board of Management for the Sickness Insurance Fund. (Page 334).

401. The Board should establish Employment Offices at suitable places which the unemployed would be able to visit without having to pay any transportation charges. (Page 334).

402. The expenditure on the administration of the scheme of unemployment insurance in Bombay should be borne by the Provincial Government. (Page 334).

403. The Provincial Government should also assist (*i*) by making temporary loans to the Unemployment Insurance Fund if and when the Fund is unable to meet its immediate liabilities on condition that the repayment of such loan amounts should be made within a limited

period out of the ordinary revenues of the Fund, and (*ii*) by contributing its quota with a view to strengthening the reserves of the Fund. (Page 334).

404. In the cotton textile industry, there is no provision for leave with pay for wage earners, although the clerical and the supervisory staff are entitled to leave with pay. (Page 335).

405. Although it is desirable that employers should grant holidays with pay to cotton mill workers in this Province, the adoption of such a measure should be postponed until schemes of sickness and unemployment insurance and old age pensions, which, in our opinion, should have priority, have been introduced. (Page 336).

Labour Management and Organization.

406. The main criticism against the *badli* control system is that though it has, to an appreciable extent, curtailed the power of the jobber to employ the workers, it has not entirely dissociated him from this function, for it is still he who fills up vacancies from amongst the *badlis* assigned to him. To the extent it has not done so, the scope for bribery and corruption remains. (Page 340).

407. In defining the duties of labour officers mills in Bombay do not seem to have acted in the spirit of the recommendation of the Royal Commission on Labour in India that no employee should be selected except by the Labour Officer, personally in consultation with the departmental heads, and that none should be dismissed by them without his consent except by the manager who might do so after hearing what the Labour Officer has to say. (Page 342).

408. The functions of the Labour Officers must be clearly defined and they must have a position of greater responsibility than at present Recruitment of labour must be their exclusive concern. They must be empowered to take effective measures to stamp out corruption and bribery. They must see that senior and efficient workers are promoted and only new and less efficient workers are sent away when retrenchment becomes necessary. They must also see that the Standing Orders as regards leave, dismissals and other matters are properly carried out. (Page 342).

409. The status and authority of Labour Officers should, wherever possible, progressively approximate to those of personnel officers in Western countries and such officers should be appointed in all mills in the Province. (Page 344).

410. The advantages to the industry and to the workers of the appointment of Labour Officers will be secured only if competent men, with sympathetic understanding of the needs of the workers as well as a clear perception of the interests of the industry, are appointed to these posts. (Page 344).

411. The services which Labour Officers can render will be invaluable only if their work supplements the legitimate activities of trade unions and is not intended to be a substitute for them. (Page 344).

412. The Labour Officers of the mills as well as the Labour Officer of the Millowners' Association should meet periodically to exchange views and recommend new policies and practices calculated to improve the lot of the workers as well as their relations with the employers and the Government Labour Officer and the representatives of trade unions should also be invited to this conference so that the value of the conference may be enhanced by their contribution to its deliberations. (Page 344).

413. The action taken by the Millowners' Association, Bombay, to restrict the influence of the jobber by transferring from him to the manager and departmental heads the powers of engaging and dismissing men and of inflicting fines and granting leave does not seem to have been effective and the jobber still continues to be main instrument of labour management. (Page 345).

414. Because the jobber is constantly in direct and intimate contact with the workers, his position in the industry is very important. (Page 345).

415. If his work is to be done well, it is necessary that, apart from having received a reasonably general education and technical training, he must be an expert in the handling of men as well as in the technique of production. (Page 345).

416. The jobber has his place in the industry provided he has nothing to do with the recruitment, dismissal, or promotion of workers and the granting of leave to them. (Page 345).

417. If training courses for jobbers are organized as is done in some other countries, the usefulness of the jobbers to the industry will be considerably enhanced. (Page 345).

418. The system of record cards for jobbers and head jobbers introduced by the Millowners' Association, Bombay, should be adopted in other centres of the textile industry in the Province. (Page 346).

419. Women supervisors should go through courses of training similar to those which we have proposed for jobbers. (Page 346).

420. The first and most important step towards eradicating bribery and corruption must be the complete dissociation of the jobber from the work of recruitment and dismissal. (Page 347).

421. A beginning should be made in large industrial centres in this country in organizing employment exchanges. Bombay, Ahmedabad and Sholapur, in our Province, are suitable centres for initiating this

experiment. We recommend that employment exchanges should be organized by Government in these centres. (Page 349).

422. The exchanges should organize the labour supply for all industries, including Government factories and workshops, but will, obviously, be most useful to the textile industry. (Page 349).

423. For centres other than Bombay, Ahmedabad and Sholapur we recommend the extension of the *badli* control system. (Page 349).

424. Equal participation by representatives of employers and employees in the management of the employment exchanges is essential for their success. We recommend that a local committee on which both the employers and the workers are represented should be associated with each of the exchanges to be established in Bombay, Ahmedabad and Sholapur. (Page 350).

425. If the work of the average operative in the textile industry in this Province does not come up to a very high standard of efficiency, the reason is that little or no attempt is made to equip him properly through training. (Page 350).

426. In spite of the realization of the importance of training for increasing the efficiency of the worker, the practical steps taken by industrialists in the Province to supply the required facilities are meagre and no institutions for imparting such training are being conducted by them. (Page 351).

427. Considering the Province as a whole, it may be stated that the opportunities for textile workers to obtain technical training are limited and we think that the need for expanding the facilities for such training where they exist and providing them where they do not exist is urgent. (Page 352).

428. The main requirements of organised industry in respect of skilled workers and supervisory grades can be met only by establishing specialized industrial and technical institutions. (Page 353).

429. We recommend that specialized industrial and technical institutions and also continuation classes should be established by Government and that the employers should be called upon to contribute to their cost. (Page 353).

430. We recommend that workers who obtain training in such institutions should be given preference whenever new employees are engaged by the mills. (Page 353).

431. Until adequate arrangements are made for the technical training of workers, the majority of workers in the textile industry will not have obtained such training. This fact should induce employers in the interests of the industry to follow the example of their confères in America and some other countries who meet the need for industrial training by maintaining apprenticeship schools and classes for general educational courses in their own factories. (Page 353).

432. The practice of engaging graduates or other properly qualified students as apprentices in the mills should be more widely followed than it is at present. (Page 354).

433. In 1939, the Government of Japan issued Decrees requiring employers in certain industries, where there was an increasing need of guarding against shortage of skilled workers, to introduce at their expense three-year courses of technical training during normal working hours for a certain proportion of their workers between 14 and 17 years of age. We see no reason why the employers in the cotton textile industry of this Province should not provide some facilities for the training of a certain proportion of their workers in a manner similar to that accepted in Japan. (Page 354).

434. The provision of effective safeguards against unjust and wrong dismissals is in the interest as much of the industry as of the workers. The new Standing Orders settled by the Industrial Court remedy a defect in the old orders by providing safeguards against wrongful suspensions and dismissals. Section 64 of the Bombay Industrial Disputes Act, 1938, protects workers against dismissal for participation in trade union activities or in strikes which are not illegal. (Pages 355 and 356).

435. Whatever the merits of the machinery provided by the Bombay Industrial Disputes Act for settling disputes of a complicated nature affecting a large number of workers, it is obviously not the most suitable one for deciding whether injustice has been done in individual cases such as those of dismissals. (Page 357).

436. Labour courts, constituted on the lines adopted in other countries, will secure speedy and definite disposal of complaints from workers as well as employers and we recommend that Government should consider the advisability and feasibility of the early establishment of such courts in this Province. (Pages 357 and 358).

437. The facility of obtaining long leave at periodic intervals is an indispensable condition of the stability and contentment of the labour force. Leave affords a break in a long period of physical and mental strain and provides necessary opportunities for rest, change and recuperation, apart from enabling a large number of workers to go to their native places or to give special attention to the needs of their domestic or social life. Standing Orders numbers 11 and 12 framed by the Industrial Court for cotton mills in Bombay City make adequate provision in this respect. (Page 358).

438. One of the effective methods of securing contentment among workers and creating loyalty to the organization is the existence of a definite and well-planned system of transfers and promotions. (Page 359).

439. We cannot too strongly emphasize that for promoting efficient management as well as securing a stable and contented labour force it is necessary not only that there should be a properly devised plan of promotion but also that it should be impartially carried out in accordance

with rules framed for the purpose. Whilst merit should be the main ground for promotion, the length of service of a worker should not be ignored. (Page 359).

440. If rest pauses are allowed at regular intervals during the shifts and if the conditions of work in the factory are improved, it may be expected that workers will not resort to loitering. Provided the conditions stipulated by us are satisfied, we would favour stricter regulation of permission to workers to leave their work. (Page 361).

441. Constant standing while at work causes fatigue and has deleterious effects on the health and efficiency of workers. Work in most departments in a textile mill will be done more efficiently if the workers are provided with stools on which they can occasionally sit and rest. We suggest that, wherever possible, stools should be provided for the workers. (Page 361).

442. The success of any organization largely depends on the extent to which it reduces its labour turnover. (Page 361).

443. Though a high rate of turnover exists in all organized industries in India, there are no reliable data available concerning the extent of the turnover. Reliable and adequate records uniformly filled in and accompanied by careful critical analysis are essential and, without these, percentages of labour turnover have little practical value. (Page 362).

444. The cost to the employer of constant changes in his labour force, involving the employment of new men, is represented by reduced production, more spoilt work and less careful handling of machinery. The worker also suffers by excessive labour turnover. Frequent changes of the place of employment may affect, in the long run, his skill and efficiency besides depriving him of various advantages of continued employment in one concern such as opportunities of promotion. (Page 362).

445. Improvement in methods of recruitment is one of the principal remedies for excessive labour turnover. The *badli* control system introduced by the Millowners' Association, Bombay, has, to some extent, applied this remedy. But more radical and effective methods such as establishment of employment exchanges, restriction of the powers of the jobber and organization of a personnel department are also required. (Page 363).

446. Improvement of working conditions generally, adoption of an enlightened policy of management in respect of wages, transfers and promotions, leave and holidays, provision of facilities for education and training, promotion of welfare work, introduction of unemployment and sickness insurance, of gratuities and pensions—all these will contribute to make the labour force more stable than it is at present. (Page 363).

447. Not the least important factors contributing to stability will be the attitude of the employers to workers' organizations, and the provision of effective machinery for the ventilation and redress of the grievances of the workers. (Page 363).

448. There is a definite relation between absenteeism and the absence of systematic provision for holidays and leave. (Page 363).

449. The economic loss to industry and the worker as a result of absenteeism need not be emphasized. Little concerted attempt has been made in this Province to reduce absenteeism or even to study the factors which cause it. (Page 364).

450. Whatever leads to the increasing adaptation of the worker to his task and whatever makes him feel contented will lessen his desire or need to leave it for a time and lighten for him and industry the burden of absenteeism. (Page 364).

451. Proper conditions of work in the factory, adequate wages, protection from accident and sickness and facilities for obtaining leave for rest and recuperation constitute the most effective means of reducing absenteeism. (Pages 364 and 365).

452. The disadvantages of the contract system outweigh whatever advantages it may possess. The system certainly gives no advantage to the worker. (Pages 365 and 366).

453. We recommend that the contract system of engaging labour should be abolished as soon as possible and that workers for every department in a mill should be recruited and paid direct by the management. (Page 366).

454. The fact that workers recruited from Criminal Tribes Settlements are subject to the discipline of the settlement in all matters prevents them from fully participating in trade union activities. They have often in the past, owing to the rules of the settlement, been unable to join strikes. Their continued employment during strikes is naturally looked upon by other workers with suspicion and disfavour. It is undesirable that an element, which is thus unable to identify itself with the general body of workers, should continue to exist in the industry. (Page 366).

455. We recommend that the rules of the settlements in respect of those of the settlers who are employed in the mills should be such as to enable them to participate fully in all legitimate activities of trade unions. If, however, this is not possible, we suggest that the employment of members of the settlements in mills should cease. (Page 366).

456. The advantages to industry as well as to the workers of collective agreements cannot be overestimated. Such agreements promote stability in the industry by eliminating internal strife and by regulating the level of wages and other main conditions of employment. Again, as these agreements bind all or most of the units of an industry, they tend to eliminate unhealthy competition. (Page 367).

457. The success of collective agreements from the point of view of the industry, however, depends on the effectiveness of the organization of workers as much as of the employers. (Page 368).

458. Even legislative measures and State action depend for their success on the strength of labour organization. (Page 368).

459. Works councils and works committees are useful only so long as the employers are well disposed. They cannot be a substitute for trade unionism. (Page 368).

460. Apart from collective agreements, investigation and mediation, conciliation and arbitration have been increasingly resorted to by the State in recent years in order to secure industrial peace. The efficacy of these methods also presupposes the existence of organized trade unions. (Pages 368 and 369).

461. Considering the number of workers employed in the textile industry in the Province, it can hardly be said that the progress made in organizing them has been satisfactory. (Page 372).

462. The advantages of trade unionism to industry itself as well as its inevitability are being increasingly realized and though industrial strife has by no means been eliminated, it is acknowledged that a strong trade union is one of the most powerful instruments for averting such strife and securing stability and peace in industry. (Page 373).

463. There is little doubt that the fear that they will be victimized if they join a trade union or interest themselves in its activities prevails among a large number of workers and constitutes an obstacle to the growth of trade unionism among them. (Page 374).

464. The safeguarding of the workers' right to organize, without intimidation and discrimination, in order to protect and improve their standards of life is the essence of trade unionism and employers who wish to see the growth of a sound trade union movement in this Province should refrain from doing anything that would deter workers from exercising their right of organization. (Page 374).

465. It is undesirable for employers to place restrictions on workers carrying on any activities in the mill chawls in which they live except to the extent to which the law permits such restrictions. (Page 374).

466. With one or two exceptions, trade unions in the textile industry of this Province suffer from a paucity of officials who satisfy the standards of qualifications, training and equipment that are considered indispensable in countries where the trade union movement has been well developed. (Page 375).

467. The main reason for this defect in trade union organization is that, in most instances, trade union officials are not trained for the work they have to do. (Page 375).

468. If the trade unions in the textile industry are to become more efficient instruments for protecting the interests of the workers and securing improvement in their standard of life, they must have at their disposal the services of an increasing number of men who are conversant with the technical details of the industry and who have received necessary training for the work of not merely organizing trade unions but also of carrying on their day-to-day activities. (Page 375).

469. Efficient service of this kind can only be available to the unions if the officials are full-time men and are adequately paid. Such officials should preferably be recruited from the ranks of workers. (Page 375).

470. Educated young men who have received special training for the purpose and are interested in the work will also make efficient and useful trade union officials. (Page 375).

471. While it is primarily the concern of trade unions to take the initiative in this matter, the State and employers also owe an obligation to the working class to do all they can to help in providing facilities for training. (Page 375).

472. Trade unions will always require the assistance of technical advisers for carrying on many of their activities, especially in negotiations with employers or in conciliation or arbitration proceedings in regard to technical matters. (Page 376).

473. We endorse the suggestion of the Bombay Strike Enquiry Committee for the appointment of a technical adviser to the trade unions in Bombay and suggest that the appointment of such an expert is essential for the proper working of schemes of standardization. (Page 376).

474. The success of trade unions depends on the exercise of the right of collective bargaining and it is their constant endeavour to resist any restrictions that undermine that right. The most effective weapon to which employers usually resort in order to deny to the workers this right of collective bargaining is to refuse recognition to their unions. (Page 376).

475. The objection taken by the Millowners' Association, Bombay, to the recognition of any labour union which was not prepared to make strikes the last weapon in its armoury instead of the first has not much force now, in view of the passing of the Bombay Industrial Disputes Act, 1938, which prohibits strikes before a notice of change is given and before conciliation proceedings are completed. (Page 377).

476. The views held by some of the officials of a trade union on the political or economic structure of society ought not to influence the working of the union as such. (Page 377).

477. The existing law limits the number of outsiders on the executives of trade unions to 50 per cent. and no case has been made out by the employers for a further reduction to 10 per cent. (Page 377).

478. The members of a union alone can judge the extent of the assistance which they need and the employers are hardly justified in dictating to them how many and who should be the outsiders to guide and help them in carrying out the activities of their union. (Page 378).

479. Until trade unions in this Province have established themselves on a firm and unshakable footing and consolidated their position and until, as recommended by us, a sufficient number of paid officials recruited from among the ranks of the workers are available, the need for the guidance and assistance of outsiders will continue to be felt. (Page 378).

480. In India, where the movement is still in its early stages and the fear of victimization is not absent, the help of outsiders is still necessary. (Page 378).

481. Though the fear of company unions being established may not be justified, it must be admitted that the condition of 25 per cent. membership for a representative union, as required under the Bombay Industrial Disputes Act, is very difficult to fulfil and its imposition may operate as a hindrance in the way of encouraging the growth of trade unions. (Page 379).

482. It is possible that if workers have to continue to depend on the good offices of a Labour Officer, however sympathetic he may be, their power of initiative and their spirit of self-reliance may suffer and, consequently, the development of a strong and independent trade union movement among them may be retarded. (Pages 379 and 380).

483. There may be reason to apprehend that the structure of the Bombay Industrial Disputes Act is not such as will facilitate the realization of its purpose, namely, the proper and speedy development of an independent trade union movement. However, as the Act was brought into operation only recently, there is not sufficient material before us to enable us to form a definite opinion about the effects of its working. (Page 380).

484. It cannot be denied that representation and redress of grievances are among the main functions of trade unions and it is on the extent to which trade unions successfully discharge these functions that they win the confidence and loyalty of the workers and ensure their own growth and development. (Page 381).

485. The services of Government Labour Officers are necessary where there are no labour unions. They may also be useful even where there are unions, provided the officers themselves make it their main function to encourage the growth of trade unions because no agency can replace well-organized unions for the purpose of protecting and promoting the interests of the workers. (Page 381).

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We are very much indebted to our Associate Members, Mr. Sakarlal Balabhai, M.L.A., Mr. S. D. Saklatvala, M.L.A., Mr. Khandubhai K. Desai, M.L.A., and Mr. R. A. Khedgikar, M.L.A., for the invaluable help which they gave us throughout our inquiry. Their assistance and co-operation have greatly facilitated our work and their advice has been extremely helpful to us in arriving at our conclusions and recommendations. The responsibility for the views expressed and the recommendations contained in this Report is, however, entirely ours.

We are deeply grateful to the Millowners' Associations, individual mills, labour organizations and other bodies and individuals for the trouble taken by them in submitting memoranda to us on the questionnaire which we issued in connection with our main inquiry. Our particular thanks are due to the Millowners' Association, Bombay, not only for the manner in which our requests for information and statistics relating to various matters connected with the cotton textile mills in Bombay were readily complied with but also for the trouble taken by it in getting the data collected from mills tabulated for us. We are also grateful to the management of the individual mills in the centres of the industry which we visited for their ready co-operation and for the hospitality extended by them to us during our stay at these centres.

We received valuable help and assistance from Mr. J. F. Gennings, C.I.E., C.B.E., till lately the Commissioner of Labour and Mr. D. S. Bakhle, I.C.S., the present Commissioner of Labour, the Assistant Commissioners of Labour and the staff of the Labour Office and from Mr. T. W. Johnstone, O.B.E., Chief Inspector of Factories. As already pointed out in our Interim Report and in Chapters II and III of this Report, the Labour Office conducted for us special inquiries into wages and family budgets and in addition to these, both the Commissioner of Labour and the Chief Inspector of Factories conducted for us various *ad hoc* inquiries into other subjects and furnished us with their results.

We wish to place on record our warm appreciation of the able and energetic manner in which we were helped by our Secretary, Mr. N. A. Mehrban, M.B.E., F.S.S., who placed his knowledge and experience ungrudgingly at our disposal. The complicated and extensive inquiry entrusted to us made the duties of the Secretary particularly arduous, but Mr. Mehrban spared no pains in facilitating our work. His work was throughout marked by efficiency and organizing ability as well as by meticulous care in attending to every detail of his manifold duties.

We received valuable help from our part-time Assistant Secretary, Mr. V. P. Keni, who was in charge principally of the statistical work in our office. We also desire to place on record our high appreciation of the efficient manner in which the staff of the Committee have discharged their duties. They were often required to put in long hours and to work on Sundays and holidays and the demands made on their time and energy were cheerfully and ungrudgingly met. We may make a special mention

of the services rendered to us by our senior clerk, Mr. G. N. Khopkar, who discharged the duties of the superintendent of our office in a capable manner.

We must acknowledge our thanks to Mr. J. A. Neale, Superintendent, Government Printing and Stationery, and to Mr. C. J. Saldanha, Manager, Government Central Press, for the care and the expedition with which our Reports have been printed.

(*Signed*) H. V. DIVATIA,
Chairman.

VAIKUNTH L. MEHTA,
Member.

D. R. GADGIL,
Member.

S. A. BRELVI,
Member.

N. A. MEHRBAN,
Secretary.

Dated Bombay, the 27th day of July 1940.

GENERAL APPENDIX

APPENDIX I.

TEXTILE LABOUR INQUIRY COMMITTEE

QUESTIONNAIRE RELATING TO MAIN INQUIRY

A.

Please give information about your mills on the following points :—

(1) Number of spindles worked during July 1937 showing ring and mule spindles separately on—

day shift .. ..

night shift .. ..

(2) The production of yarn up to and including 15s, 16s-22s, 23s-30s, 31s-40s, 41s-60s and 60s and above during the above month on day shift and on night shift separately.

(3) (*a*) Your average count in the spinning department for all yarn;

(*b*) your average count for yarn used in weaving;

(*c*) your average count for saleable yarn.

(4) The average number of looms worked during July 1937 on—

day shift .. ..

night shift .. ..

(5) The production of cloth during July 1937 in pounds and in yards and the average picks for the total production on—

day shift .. ..

night shift .. ..

(6) (*a*) The average daily number of persons employed in July 1926* and in July 1937,

(*b*) their wages bills for these periods,

(*c*) the average count, and

(*d*) the number of working hours per week.

*Date of the Third Labour Office enquiry into wages.

(7) What has been the effect of the reduction of hours of work from 60 to 54 per week on production and on the earnings of workers in different occupations ?

(8) Your wage costs per pound of yarn and per 100 yards of cloth in July 1937, separately for day shift and night shift.

(Please indicate all the items included in these wage costs.)

(9) The proportion of your wage costs to the total cost of production during your last financial year.

(10) (*a*) Profits or losses of your mill during the last 10 years and the dividends declared.

(*b*) If your mill had any losses, what were the reasons therefor ?

(11) The percentage of selling charges to the total value of goods sold during the last financial year.

(12) (*a*) Has your mill got a dividend equalization fund ?

(*b*) When was it created ?

(*c*) In what year or years since 1918 and to what extent was it used ?

(*d*) What was the amount standing to its credit at the end of the last financial year ?

(13) (*a*) What was the rate of dividend declared, the total amount of dividend paid, the amounts carried to reserves, the amounts paid as bonus to wage-earners, in each year since 1918 ?

(*b*) Indicate the years in which dividends have been paid from reserves or from any other funds.

(14) Please fill in the following schedule separately for the last 10 years.

PROFIT AND LOSS SCHEDULE

Profit and Loss Account for the year ended.....

	Rs. a. p.	
By realization of Yarn, Cloth and Wastes		
By Other Receipts		
Total ..		Percentage to Total.
1. To Cotton, Yarn, etc., consumed ..		
2. To Power		
3. To Mill Stores		
4. To Machinery and Buildings Repairs ..		
5. To Mill Salaries		
6. To Mill Wages		
7. To Office Expenses		
Less: Office Allowance given up by Managing Agents		
8. To Interest (including interest on debentures)		
Less: Given up by Managing Agents ..		
9. To Insurance		
10. To Rents, Rates and Taxes ..		
11. To Directors' and Auditors' Fees ..		
12. To All other General Expenses (Printing, Stationery, Telegrams, etc.)		
13. To Agents' Commission		
Less: Given up by Managing Agents ..		
Total ..		
Profit / Loss as per Profit and Loss Account ..		
Profit as per Profit and Loss Account as above		
Allocated to Depreciation Fund		
Profit / Loss before charging Depreciation ..		
Less: Depreciation to be provided as per Income-Tax Rules		
Balance Profit/Loss for the year ..		

(15) (*a*) Give the total number of looms in your mills in July 1937.

(*b*) Give details of reed space and speeds as under :—

Reed space	Number of looms		Actual speed	Calculated speed
	Plain	Dobby		

(*c*) State for each reed space the average number of looms worked per day in July 1937 under the following categories :—

1. Plain
2. Dobbies
3. Drop-box
4. Susis with coloured warp up to 25 per cent.
   Susis with coloured warp up to 50 per cent.
   Susis with coloured warp up to 75 per cent.
   Susis with coloured warp all colour.
5. Other fancy sorts, specifying the cloth.

(*d*) Please state your average weaving efficiency* for the month of July 1937 in percentage for different reed space for following sorts :—

Plain sorts, coarse up to average 18s.

Plain sorts, medium 10s to 36s

Note.—*In calculating efficiency 5 per cent. may be allowed for slippage of belt—no other allowance should be made.

Basic yardage should be calculated according to the number of working days in the month.

The average number of looms worked in each reed space for different types of cloth should be carefully calculated for working out the efficiency figures.

Plain sorts, fine above 36s—59s
Plain sorts, superfine 60s and above.
Dhoties, with plain borders coarse up to average 18s
Dhoties, with plain borders medium 19s to 36s
Dhoties, with plain borders, fine above 36s—59s
Dhoties, with plain borders, superfine 60s and above.
Dhoties, with Dobbie borders, coarse up to average 18s
Dhoties, with Dobbie borders, medium 19s to 36s
Dhoties, with Dobbie borders, fine above 36s—59s
Dhoties, with Dobbie borders, superfine 60s and above.
Saries, with plain borders, coarse up to average 18s.
Saries. with plain borders, medium 19s to 36s
Saries, with plain borders, fine above 36s—59s.
Saries, with plain borders, superfine 60s and above.
Saries, with Dobbie borders, coarse up to average 18s
Saries, with Dobbie borders, medium 19s to 36s
Saries, with Dobbie borders, fine above 36s—59s
Saries, with Dobbie borders, superfine 60s and above.
Susis and shirtings, coarse up to average 18s
Susis and shirtings, medium 19s to 36s
Susis and shirtings, fine above 36s—59s
Susis and shirtings, superfine 60s and above.
Other fancy Sorts—specifying the cloth. coarse up to average 18s
Other fancy Sorts—specifying the cloth, medium 19s to 36s
Other fancy Sorts—specifying the cloth, fine above 36s—59s
Other fancy Sorts—specifying the cloth, superfine 60s and above.

(16) Please state the average production for the month of July 1937 per spindle per 9 hours day for different counts of yarn worked in that month with the average speeds of spindle and front roller.

(17) State the number of Doffer Boys and Tarwallas employed per 1,000 spindles separately for different counts.

B.

(18) How would you define a living wage standard ?

(19) What do you think would be the effect of the payment of a living wage on the efficiency of the workers ?

(20) What should be the composition of a standard family in reference to which the living wage standard should be fixed ?

(21) What provision for (*a*) food, (*b*) housing, (*c*) clothing, (*d*) fuel and lighting should be made in the living wage standard ?

(22) (*a*) What additional items do you consider essential ingredients of a living wage standard ?

(*b*) Indicate what provision you would make for items from any of the following which you consider essential :—

(*i*) education, (*ii*) transport, (*iii*) holidays, (*iv*) amusements and recreation, (*v*) expenditure on medical relief, (*vi*) insurance, (*vii*) interest on and repayment of debt, (*viii*) social and ceremonial expenditure.

(23) Should these provisions differ from centre to centre ? If so, why and to what extent ?

(24) In considering whether the wage is a living wage should the possible earnings of other members of the family be taken into account or should each wage earner be considered to have to support an entire family ?

C.

(25) Are you in favour of the establishment of a minimum wage ?

Give reasons for your views.

(26) On what principles should the minimum wage be based ?

(27) What machinery would you suggest for fixing and revising the minimum wage ?

(28) Should the level of the minimum wage differ from centre to centre and if so, why ?

(29) What measures would you suggest to prevent the minimum wage from becoming the maximum ?

(30) What would be the effect of fixing the minimum wage on (*a*) total employment and (*b*) employment in particular occupations in the industry ?

(31) What is your experience of the working of the Minimum Wage Schedule of the Bombay Millowners' Association ?

(32) It has been suggested that industries enjoying protection should properly bear the responsibility of paying the minimum wage. What are your views in this matter ?

D.

(33) Are you in favour of night shift working ? How does production on night shift compare with production on the day shift ? Does the quality of production on night shift deteriorate and if so after what hour ?

(34) To what extent is the strain of night shift work greater than of day shift work ?

(*a*) with adequate sleeping facilities during day time ;

(*b*) without such facilities ?

(35) Are workers engaged on night shift paid at the same rates as those on day shift ?

(36) Were night shift workers paid higher rates or allowances than day shift workers before 1933 and if so, what was the difference between day and night shift wages ?

(37) Are you in favour of paying workers on night shift at rates higher than those paid to workers on day shift ?

(38) Are you in favour of shorter hours of work for night shift than for the day shift ?

(39) Is the turn-over of labour greater for the night shift than for the day shift ?

(40) Are you in favour of a system of change-over ? If so, at what intervals should such change-over take place ?

(41) Have you any system for the absorption of night shift workers when night shifts are closed ? If so, please give details.

E.

(42) What are the measures usually included in the term rationalisation as applied to the textile industry ?

(43) What is the extent to which they have been adopted in various directions in your centre ?

(44) What are the effects of the various forms of rationalisation on :—

(*a*) total employment in the concern ;

(*b*) employment in particular occupations ;

(*c*) wage-rates ;

(*d*) earnings ;

(*e*) production ;

(*f*) working conditions, especially strain and fatigue ?

(45) What steps for improving the conditions of work were necessary and were adopted to facilitate rationalisation ?

(46) What are your views on the question of rationalisation ? If you are opposed to rationalisation, do you do so on principle or do you object only to some form of it ?

Give reasons for your views.

(47) Can you suggest any methods not usually included in "rationalisation" for improving the efficiency and earnings of the workers ?

(48) What steps have been taken or should be taken to mitigate the effects of the immediate unemployment caused by rationalisation ?

Over what period would such special measures be necessary ?

(49) What is the proper proportion in which the gains from rationalisation should be divided between the workers and the employers? How would you determine this proportion?

F.

(50) Have you devised any scheme for standardising the wages and musters of time and piece workers in the various occupations in the industry? If so, please send a copy of the scheme.

(51) Has the scheme been put into operation? If not, for what reasons?

(52) If no standardisation schemes have been devised, please give your suggestions regarding the framing of such schemes.

(53) Do you think it desirable at present to standardise wage rates or only the earnings?

(54) What machinery would you set up to enforce any standardisation schemes that may be adopted?

(55) What conditions would you consider essential for the smooth working of a standardisation scheme?

G.

(56) What is the extent to which effect has been given by the industry to the recommendations made as a result of Government inquiries, particularly by the Tariff Boards and the Fawcett Committee regarding the financial and technical reorganisation of the industry?

(57) What is the extent to which effect has been given by the industry to the recommendations made by the Royal Commission on labour regarding conditions of labour in the industry?

(58) What attempts have been made by the industry to form pools, combinations, etc. and to adopt other forms of joint action to effect economies in production costs? To what extent have they succeeded or failed? Give reasons for the failures.

(59) Can you suggest any measures of financial, technical or any other form of reconstruction of industry likely, in your opinion, to help raising the level of wages?

(60) In order to secure a fair share to the workers of the profits of industry would you suggest limitation of dividends to the share holders or any profit sharing scheme ?

(61) (*a*) What in your opinion would be an adequate provision for depreciation ?

(*b*) Are you in favour of making the above provision compulsory ?

(62) What would in your opinion be the fair rate at which Managing Agents of Mills should be remunerated ?

(63) Are you in favour of paying a consolidated wage by merging all allowances, bonuses, etc. into the wage itself ?

If not, what are your reasons therefor ?

(64) What measures would you suggest for providing an improved system of recruitment, better training, and greater security of employment and for the reduction of labour turn-over ?

(65) (*a*) Would the bringing into existence of a sound and strong trade union movement help in improving the wage level ?

(*b*) What are the difficulties in the way of building up such a trade union movement in your centre ?

(66) Would a strong and representative association of employers also help in this direction ?

(67) (*a*) What are your views regarding the adoption of indirect measures for improving wages such as holidays with pay, insurance against sickness, old-age, unemployment, etc. ?

(*b*) Estimate the cost of schemes suggested by you and indicate the manner in which it should be met.

(68) (*a*) Please describe briefly the housing conditions of textile workers in your centre.

(*b*) Do you think that these conditions require improvement ?

(*c*) If so, what are your suggestions in this regard ?

H.

(69) Do you think it desirable that wage adjustments should take place automatically ?

Give reasons for your views.

(70) If automatic adjustments are desirable, what methods would you advocate for bringing about such adjustments ?

(71) Would a simple linking of wages with the working class cost of living index number suffice ? Or, would you suggest any other factors which should be considered ?

(72) What machinery would you suggest to determine and carry out automatic adjustments ?

(73) Are you satisfied with the existing working class cost of living index numbers of the Bombay Labour Office ? If not, what improvements would you suggest ?

(74) Do you think that wage disputes could be averted by some system of adjustment of wages to rates of profits ?

(75) If you are not in favour of an entirely automatic adjustment of wages would you still devise some machinery for partial and occasional adjustments ?

Explain in detail the arrangements you propose.

I.

(76) Have you any other suggestions to make regarding matters germane to the Committee's terms of reference ?

APPENDIX II.

LIST OF BODIES AND PERSONS WHO SUBMITTED MEMORANDA IN REPLY TO THE COMMITTEE'S MAIN QUESTIONNAIRE (Parts "B" to "I".)

A. MILLOWNERS' ASSOCIATIONS, GROUPS OF MILLS AND INDIVIDUAL AGENTS.

1. The Millowners' Association, Bombay.
2. The Ahmedabad Millowners' Association, Ahmedabad.
3. The Khandesh, Berar and Burhanpur Millowners' Association, Chalisgaon.
4. Cotton Textile Mills in Sholapur.
5. Cotton Textile Mills in Barsi.
6. Cotton Textile Mills in Viramgam.
7. Cotton Textile Mills in Broach.
8. Cotton Textile Mills in Surat.
9. The New Shorrock Spinning and Manufacturing Co., Ltd., Nadiad.
10. The Raja Bahadur Motilal Poona Mills, Ltd., Poona.
11. The Gokak Mills, Ltd., Gokak.
12. The Bharat Spinning and Weaving Co., Ltd., Hubli.
13. The Narayandas Chunilal Cotton Spinning and Weaving Mills, Gadag.
14. The Shree Ram Mills, Ltd., Bombay. (On shift working.)
15. Mr. F. Stones, O.B.E., M.L.C., Managing Director, Messrs. E. D. Sassoon & Co., Ltd., Bombay.
16. Mr. Ambalal Sarabhai, Ahmedabad.

B. OTHER EMPLOYERS' INTERESTS.

1. The Indian Merchants' Chamber, Bombay.
2. The Marwadi Chamber of Commerce, Ltd., Bombay.
3. The Native Share and Stock Brokers' Association, Bombay.

C. WORKERS' ORGANIZATIONS.

1. The Bombay Provincial Trade Union Congress, Bombay.
2. The Textile Labour Association, Ahmedabad.
3. The Mill Kamdar Union, Ahmedabad.
4. The Gujarat Sarni Kamdar Association, Ahmedabad.
5. The Ahmedabad Sarni Association (Punch), Ahmedabad.
6. The Lal Bavta Girni Kamgar Union, Sholapur.
7. The Dhulia Girni Kamgar Union, Dhulia.
8. The Girni Kamgar Sangh, Hubli.
9. The Textile Labour Union, Bhiwandi.

D. GOVERNMENT OFFICERS.

1. The Director of Public Health, Government of Bombay, Poona.
2. The Municipal Commissioner, Bombay.
3. The Director of Industries, Bombay.
4. The Government Labour Officer, Bombay. (Mr. A. W. Pryde.)
5. Dr. Nazir Ahmed, O.B.E., M.Sc., Ph.D., Director, Technological Laboratory, Indian Central Cotton Committee, Bombay.
6. The Chief Inspector of Factories, Bombay.
7. The Principal, R. C. Technical Institute, Ahmedabad.

E. DIETISTS AND DOCTORS.

1. Dr. W. R. Aykroyd, M.D., Sc.D., Director of Nutrition Research, India Research Fund Association, Coonoor.
2. Lt.-Colonel S. S. Sokhey, M.D., I.M.S., Director, Haffkine Institute, Bombay.
3. Dr. A. S. Erulkar, M.D. (Lond.), Bombay.
4. Dr. H. V. Tilak, M.B.B.S. (Lond.), F.R.C.S. (Edin.), B.Sc., J.P., Bombay.
5. Dr. H. P. Dastur, L.M. & S., Medical Officer, Tata Mills, Ltd., Bombay.
6. Dr. D. G. Vyas, D.O.M.S. (Lond.), Bombay.
7. Dr. A. N. Tankaria, L.M. & S., Ahmedabad.

F. ECONOMISTS AND OTHER INDIVIDUALS.

1. Prof. S. R. Davar, M.L.C., Principal, Davar's College of Commerce, Bombay.
2. Mr. N. N. Desai, *Editor, Commercial News, Ahmedabad.*
3. Mr. H. K. Dikshit, *Santa Cruz, Bombay Suburban District.*
4. *Prof. M. H. Nanavati, M.A., Morris College, Nagpur.*
5. Prof. D. G. Karve, M.A., Sangli.
6. Mr. G. B. Sirdeshpande, Bijapur.

G. OTHER MISCELLANEOUS BODIES.

1. The Bombay Presidency Women's Council, Bombay.
2. The Social Service League, Bombay.
3. The Maharashtra Branch of the All-India Women's Conference, Poona.
4. The Eastern Bedaux Co., Calcutta.

APPENDIX III.

LIST OF WITNESSES EXAMINED ORALLY BY THE COMMITTEE.

AT BOMBAY.

7th, 8th, 9th and 12th December 1938.

MILLOWNERS' ASSOCIATION, BOMBAY.

1. Mr. Krishnaraj M. D. Thackersey (Acting Chairman).
2. Mr. H. F. Milne (Deputy Chairman).
3. Mr. F. Stones, O.B.E., M.L.C.
4. Mr. Dharamsey Mulraj Khatau.
5. Mr. T. Maloney, M.C. (Secretary).

13th, 14th and 15th (Morning) December 1938.

BOMBAY PROVINCIAL TRADE UNION CONGRESS.

6. Mr. Jamnadas M. Mehta, Bar-at-Law, M.L.A.
7. Mr. S. A. Dange.
8. Mr. R. S. Nimbkar.
9. Mr. S. S. Mirajkar.
10. Mr. S. C. Joshi, M.L.C.

15th December 1938.

(Afternoon.)

11. Professor S. R. Davar, M.L.C., Principal, Davar's College of Commerce, Bombay.

16th December 1938.

(Morning.)

12. Mr. P. B. Advani, Director of Industries, Bombay.

(*In camera*).

(Afternoon.)

BOMBAY MUNICIPALITY.

13. Mr. M. D. Bhat, I.C.S., Municipal Commissioner.
14. Mr. H. B. Shivdasani, Deputy Municipal Commissioner (Improvements).
15. Dr. R. K. Mhatre, Executive Health Officer.

19th December 1938.

16. Mr. J. F. Gennings, C.I.E., C.B.E., Bar-at-Law, J.P., Commissioner of Labour, Bombay.
17. Mr. S. V. Joshi, B.A. (Cantab.), Assistant Commissioner of Labour.

(*In camera*).

20th December 1938.

(Morning.)

THE MARWADI CHAMBER OF COMMERCE, BOMBAY.

18. Mr. Gajadhar Somani, Joint Managing Agent, Shrinivas Cotton Mills, Ltd., Bombay.
19. Mr. Madanlal Nemani, Managing Agent, New Swadeshi Mills Co., Ltd., Ahmedabad.
20. Mr. K. V. Acharya, M.A., Assistant Secretary of the Chamber.

20th (Afternoon), 21st, 22nd and 23rd December 1938.

REPRESENTATIVE WORKERS FROM COTTON MILLS IN BOMBAY.

21. Mr. Nathya Rama, Flat Grinder, The Kohinoor Mills Co., Ltd.
22. Mr. Ramsunder, Carding Jobber, The Sassoon Spinning and Weaving Co., Ltd.
23. Mr. Mahadeo Tubaji, Ring Sider, The New Kaiser-I-Hind Spinning and Weaving Co., Ltd.
24. Mr. Erappa, Double Sider, The Jubilee Mills Ltd.
25. Mr. Eknath Maruti, Double Sider, The New City of Bombay Manufacturing Co., Ltd.
26. Mr. Shankar Bala, Doubling Sider, Zenith Mill.
27. Mr. Shankar, Ring Jobber, The Tata Mills Ltd.
28. Mr. Mahadeo Ganpat, Ring Sider, The Phoenix Mills Ltd.
29. Mr. Pargas Kalika, Speed Frame Department, The Meyer Sassoon Mills Ltd.
30. Mr. Govind Ramji, Warper, The Bombay Suryodaya Mills Ltd.
31. Mr. Nilkanth Gopal, Sizer, The Modern Mills Ltd., No. 2.
32. Mr. Shantaram Sonu, Jacquard Weaver, The Finlay Mills Ltd.
33. Mr. Abdul Suttar, Weaver, The Dhanraj Mills Ltd.
34. Mr. Sakharam Bayaji, Weaver, The Swadeshi Mills Co., Ltd.
35. Mr. Babu Mahadev, Weaver, Room No. 14, Block C, Spring Mill's Chawl.
36. Mr. Parsharam Dhulaji Rane, Weaving Supervisor, No. 11, Bombay Development Department Chawl, DeLisle Road.
37. Mr. Ramnath Parwatan, Calenderman, The Sir Shapurji Broacha Mills Ltd.
38. Mr. Dhondiba Vithoba, Machine Folder, The Indian Manufacturing Co., Ltd.
39. Mr. Pundalik, Weaver, The Standard Mills Co., Ltd.
40. Mr. Harbansingh, Weaving Fitter, The Seksaria Cotton Mills Ltd.

AT AHMEDABAD.

4th, 5th, 6th and 10th (Morning) January 1939.

THE AHMEDABAD MILLOWNERS' ASSOCIATION.

41. Mr. Ratilal Nathalal (Vice-President).
42. Mr. Kasturbhai Lalbhai.
43. Mr. Shantilal Mangaldas.
44. Mr. Nanddas Haridas.
45. Mr. B. L. Umarvadia (Secretary).

AT VIRAMGAM.

9th January 1939.

WORKERS FROM CHANDRODAYA MILLS LTD. AND JAYANTI MILLS LTD.

46-70. Twenty-five workers.

10th (Afternoon), 11th and 12th (Morning) January 1939.

THE TEXTILE LABOUR ASSOCIATION, AHMEDABAD.

71. Smt. Anasuyaben Sarabhai.
72. Mr. Shankarlal Banker.
73. Mr. S. R. Vasavada.
74. Mr. N. H. Shaikh.
75. Mr. K. R. Vahela.
76. Mr. S. P. Dave.

12th (Afternoon), 13th and 18th (Afternoon) January 1939.

REPRESENTATIVE WORKERS FROM COTTON MILLS IN AHMEDABAD.

(Spinning Section.)

77. Mr. Pochaji Chaturji, Card Tenter, The Ahmedabad Jubilee Spinning and Manufacturing Co., Ltd.
78. Mr. Kanjibhai Nathabhai, Frame Tenter, The City of Ahmedabad Spinning and Manufacturing Co., Ltd.
79. Mr. Aljibhai Maganlal, Single Sider, The Shri Vivekanand Mills Co., Ltd.
80. Mr. Dhulabhai Ambaram, Double Sider, The New Maneckchowk Spinning and Weaving Co., Ltd.
81. Mr. Becharbhai Gobarbhai, Double Sider, Gujarat Spinning and Weaving Co., Ltd.

and 16 *others.*

(Weaving Section.)

98. Mr. Isabhai Karimbhai Patel, Weaver, The National Mills Co., Ltd.
99. Mr. Tribhovandas Pragjibhai, Weaver, Shrinagar Weaving and Manufacturing Co., Ltd.
100. Mr. Keshavlal Pragjibhai, Weaver, Shrinagar Weaving and Manufacturing Co., Ltd.
101. Mr. Laljibhai Khimjibhai, Weaver, The Saraspur Mills Ltd.
102. Mr. Narbheram Jethalal, Warper, The Aryodaya Spinning and Weaving Co., Ltd.
103. Mr. Shankarlal Panchal, Fitter, The Ahmedabad Jubilee Spinning and Manufacturnig Co., Ltd.
104. Bai Gangabai Radhabai, Winder, The Ahmedabad Jupiter Spinning, Weaving and Manufacturing Co., Ltd.
105. Bai Venu Rudi, Winder, The Aryodaya Spinning and Weaving Co., Ltd.
106. Bai Hashuben Vijuben, Winder, The Ahmedabad Jupiter Spinning, Weaving and Manufacturing Co., Ltd.
107. Mr. Mahomed Shafi Qureshi, Weaver, The Ahmedabad Manufacturing and Calico Printing Co., Ltd.
108. Mr. Dahyabhai Khemabhai, Weaver, The Bharatkhand Cotton Mills Co., Ltd.
109. Mr. Manilal Ranchoddas, Weaver, The Aruna Mills Ltd.
110. Mr. Gourishankar Naranji, Weaver, The Aryodaya Spinning and Weaving Co., Ltd.
111. Mr. Tribhovandas Chaganlal, Weaver, The Aryodaya Spinning and Weaving Co., Ltd.
112. Mr. Mohanlal Mangaldas, Weaver, The Rajnagar Spinning, Weaving and Manufacturing Co., Ltd.
113. Mr. Isabhai Ahmedbhai, Weaver, The Rajnagar Spinning, Weaving and Manufacturing Co., Ltd.
114. Mr. Chunilal Ranchhoddas, Weaver, The Vikram Mills Ltd.

115. Mr. Nazirmahomed Yakub, Weaver, The National Mills Co., Ltd.
116. Mr. Amzadali Varisali Munshi, Weaver, The Shrinagar Weaving and Manufacturing Co., Ltd.
117. Mr. Nazirali Munshi, Weaver, The National Mills Co., Ltd.
118. Mr. Shankaraji Hiraji, Fireman, The Shorrock Spinning and Manufacturing Co., Ltd.
119. Mr. Gandalal Khodilal, The National Mills Co., Ltd.

17th January 1939.

120. Mr. Ambalal Sarabhai.

18th January 1939.

(Morning.)

THE MILL KAMDAR UNION, AHMEDABAD.

121. Mr. Abdul Hai.
122. Mr. Zavhar Hussein.
123. Mr. Maganlal Patel.
124. Mr. Dhanpal Sutal.
125. Mr. Dinkar Mehta.
126. Mr. Dhanvant Oza.

AT NADIAD.

19th January 1939.

WORKERS FROM NEW SHORROCK SPINNING AND MANUFACTURING CO., LTD.

127-150. Twenty-four workers.

AT BROACH.

20th January 1939.

(Morning.)

WORKERS FROM BROACH FINE COUNTS SPINNING AND WEAVING CO., LTD., AND GOPAL MILLS CO., LIMITED.

151-177. Twenty-seven workers.

AT SURAT.

20th January 1939.

(Afternoon.)

WORKERS FROM SURAT COTTON SPINNING AND WEAVING MILLS LIMITED.

178. Mr. Wahana Jeeka, Carding Lineman.
179. Mr. Govind Walji, Drawing Tenter.
180. Mr. Walji Jaitha, Slubbing Tenter.
181. Mr. Ramji Devji, Inter Tenter.
182. Mr. Kalyan Jairam, Roving Tenter.
183. Mr. Govind Rama, Frame Doffer.
184. Mr. Moti Govind, Ring Sider.
185. Bai Ratan Jeevi, Ring Sider.
186. Mr. Bhagwan Uta, Ring Sider.
187. Mr. Kallu Ranchhod, Ring Sider.
188. Mr. Jayaram Bana, Ring Doffer.

189. Mr. Rusal Ratan, Ring Doffer.
190. Bai Jeevi Premi, Reeler.
191. Rai Jaman Kali, Reeler.
192. Mr. H. Noormahomed, Weaver.
193. Mr. Mahomed Noormahomed, Weaver.
194. Mr. Gulam Rasul Abdul Raheman, Weaver.
195. Mr. Mirza Ahmed, Sizer.
196. Mr. Tricumlal Kavirdas, Warper.
197. Bai Kanku Nandi, Grey Winder.
198. Bai Pani Bhai, Grey Winder.

WORKERS FROM NIRANJAN MILLS CO., LTD.

199. Mr. Framji Davar, Sizer.
200 Bai Amba Bhiki, Grey Winder.
201. Bai Ganga Nani, Grey Winder.
202. Mr. Chimanlal Jeenabhai, Warper.
203. Mr. Raghunath Laxman, Drawer-in.
204. Mr. Thakurdas Atmaram, Weaver.
205. Mr. Hussain Kadar, Weaver.
206. Mr. Sitaram Kunde, Weaver.
207. Mr. Mahomed Gulamhussain, Weaver.

AT BOMBAY.

23rd and 24th (Morning) January 1939.

208. Mr. A. W. Pryde, I.P., Labour Officer, Bombay.

(*In camera*).

25th January 1939.

(Morning.)

THE BOMBAY PRESIDENCY WOMEN'S COUNCIL.

209. Mrs. Maneoklal Premchand, J.P. (President).
210. Mrs. D. Racoosin.
211. Mrs. E. G. Currimbhoy.
212. Miss Dongre.

(Afternoon.)

213. Mr. N. M. Joshi, M.L.A. (Central).

(*In camera*).

26th January 1939.

214. Mr. T. W. Johnstone, O.B.E., A.R.C.S., D.I.C., Chief Inspector of Factories.
215. Mr. W. H. Phillips, Senior Inspector of Factories.

(*In camera*).

27th January 1939.

Mr. J. F. Gennings, C.I.E., C.B.E., J.P., Bar-at-Law, Commissioner of Labour.
Mr. S. V. Joshi, B.A. (Cantab.), Assistant Commissioner of Labour.

(In camera.)

AT JALGAON.

30th January 1939.

WORKERS FROM KHANDESH SPINNING AND WEAVING MILLS CO., LTD.

216. Mr. Rajaram Ganpat, Carding Lineman.
217. Mr. Nathu Ramji, Drawing Tenter.
218. Mr. Ganpat Gopal, Slubbing Tenter.
219. Mr. Ganga Barku, Inter Tenter.
220. Mr. Waman, Roving Tenter.
221. Mr. Raghu Senpadu, Warp Sider.
222. Mr. Suklal Ananda, Ring Doffer.
223. Mr. Sonu Motiram, Tarwalla.
224. Mr. Soma Asarath, Sider.
225. Mr. Vajif Fatu, Sider.
226. Bai Soli Krishna, Reeler.
227. Bai Deepa Vithoba, Reeler.
228. Mr. Seklal Kassam, Weaver.
229. Mr. Dadoo Laxman, Weaver.
230. Mr. Supdu Ramchandra, Weaver.
231. Mr. Omdar Supdu, Weaver.
232. Mr. Amir Nathu, Warper.
233. Mr. Dhondu Supdu, Front Sizer.
234. Bai Draupadi Trimbak, Grey Winder.
235. Bai Savitri Tikambar, Grey Winder.
236. Bai Laxmi Ananda, Colour Winder.
237. Mr. Narayan Dagdoo, Drawer-in.
238. Mr. Shankar Ganesh, Machine Folder.

WORKERS FROM GENDALAL MILLS, LTD.

239. Mr. Shriram Mahabir, Blow Room Tenter.
240. Mr. Soma Dalpat, Carding Linesman.
241. Mr. Amrut Dodhoo, Drawing Tenter.
242. Mr. Girdhar Shrawan, Slubbing Tenter.
243. Mr. Gangajee Shankar, Inter Tenter.
244. Mr. Dhondu Shakadoo, Roving Tenter.
245. Mr. Shankar Sakharam, Weft Sider.
246. Bai Rewoo Shankar, Reeler.
247. Bai Baraspati Kaloo, Reeler.
248. Mr. Budha Narayan, Warp Sider.
249. Mr. Trimbak Sakharam, Ring Doffer.
250. Bai Rewoo Soma, Grey Winder.
251. Bai Gangoo Laxman, Colour Winder.
252. Mr. Laxman Anant, Warper.
253. Mr. Rahiman Meerbha, Weaver.

254. Mr. Ananda Maruti, Weaver.
255. Mr. Abdul Gaffar Shaikh Rahemān, Weaver.
256. Mr. Jabbarkhan Imamkhan, Weaver.
257. Mr. Sakharam Dhondu, Weaver.
258. Mr. Chaganlal Rajaram, Sizer.
259. Mr. Hyatkhan Abdurkhan, Drawer-in.
260. Mr. Damu Nathu, Folder.

AT AMALNER.

31st January 1939.

WORKERS FROM PRATAP SPINNING, WEAVING AND MANUFACTURING CO., LTD.

261. Mr. Shankar Nothu, Warp Sider.
262. Mr. Babu Dodhoo, Weft Sider.
263. Mr. Jairam Sonu, Weft Sider.
264. Mr. Karim Vazir, Tarwalla.
265. Mr. Sukdeo Sahadoo, Doffer.
266. Bai Krishnabai Ramchandra, Reeler.
267. Bai Vedi Rowji, Reeler.
268. Mr. Dagdoo Mahadoo, Inter Tenter.
269. Mr. Shivram Motiram, Roving Tenter.
270. Mr. Nivritti Bhawoo, Slubbing Tenter.
271. Mr. Gopal Barkoo, Drawing Tenter.
272. Mr. Musa Yasin, Frame Doffer.
273. Mr. Ramdas Motiram, Carding Tenter.
274. Mr. Suklal Vedoo, Blow Room Attendant.
275. Mr. Tookaram, Machine Folder.
276. Mr. Dwarku Annaji, Warper.
277. Mr. Ghanshyam Shankar, Sizer.
278. Bai Laxmi Bapu, Grey Winder.
279. Bai Nathi Ukha, Colour Winder.
280. Mr. Hamidkhan Bhikankhan, Drawer-in.
281. Mr. Mahadeo Ganpat, Warping Boy.
282. Mr. Vazir Mathum, Weaver.
283. Mr. Vishram Dodhu, Weaver.
284. Mr. Krishna Ganba, Weaver.
285. Mr. Devrao Dada, Weaver.

AT CHALISGAON.

2nd February 1939.

WORKERS FROM CHALISGAON SHRI LAXMI NARAYAN MILLS LTD.

286. Mr. Lalitha Bindisari, Blow Room Attendant.
287. Mr. Supdu Navjee, Card Room Tenter.
288. Mr. Govinda Tooka, Drawing Tenter.
289. Mr. Sahadeo Hari, Slubbing Tenter.
290. Mr. Panjoo Dhavan, Inter Tenter.
291. Mr. Budha Puna, Roving Tenter.

292. Mr. Shankar Doulat, Single Sider.
293. Mr. Shaliwan Sawaloo, Single Sider.
294. Mr. Pandoo Mosu, Double Sider.
295. Mr. Dasarath Ghopji, Double Sider.
296. Mr. Jairam Kothik, Tarwalla.
297. Mr. Umaid Singh, Doffer Boy.
298. Bai Bhikoo Laxmi, Reeler.
299. Bai Yamuna Kondaji, Reeler.
300. Bai Sundar Malhari, Grey Winder.
301. Bai Janaki-Ramdeo, Grey Winder.
302. Mr. Laxman Raoji, Warper.
303. Bai Surdar Dasarath, Colour Winder.
304. Mr. Ramkrishna Shridhar, Front Sizer.
305. Mr. Ananda Shamji, Drawer-in.
306. Mr. Rajaram Vedoo, One-loom Weaver.
307. Mr. Kashinath Gopal, Two-loom Weaver.
308. Mr. Beliram Parsuram, One-loom Weaver.
309. Mr. Dattatraya Mallappa, Two-loom Weaver.

AT DHULIA.

3rd February 1939.

WORKERS FROM NEW PRATAP SPINNING, WEAVING AND MANUFACTURING CO., LTD.

310. Bai Bhima Bhika, Reeler.
311. Bai Sita Paulad, Reeler.
312. Mr. Dhondu Shivram, Single Sider.
313. Mr. Subhanna Elanna, Single Sider.
314. Mr. Sukdeo Nana, Single Sider.
315. Mr. Ramanna Elanna, Doffer Boy.
316. Mr. Sonu Padgu, Single Weft Sider.
317. Mr. Janglu Lala, Tarwalla.
318. Mr. Ananda Balaji, Roving Tenter.
319. Mr. Keshav Dhondu, Inter Tenter.
320. Mr. Harichand Laxman, Inter Tenter.
321. Mr. Kisan Madhu, Drawing Tenter.
322. Mr. Appa Jairam, Slubbing Tenter.
323. Mr. Yeshwant Dagdu, Carding Linesman.
324. Mr. Shivashankar Gaya, Grinder.
325. Mr. Nana Bhau, Blow Room Attendant.
326. Mr. N. J. Bharke, Creel Boy.
327. Mr. Tammanna Rajappa, Warper.
328. Mr. Ranchod Vishnu, Front Sizer.
329. Mr. Bhagwan Sopandeo, Drawer-in.
330. Bai Devaki Babu, Grey Winder.
331. Bai Anusuya Laxman, Colour Winder.
332. Bai Veetha Narayan, Grey Winder.
333. Bai Krishna Rama, Pirn Winder.
334. Mr. Kisan Motiram, Two-loom Weaver.

335. Mr. Kisan Maruti, One-loom Weaver.
336. Mr. Gangadhar Dullabha, Two-loom Weaver.
337. Mr. Hari Motiram, One-loom Weaver.
338. Mr. Supdu Iraji, One-loom Weaver.
339. Mr. Rambhau Krishna, Number Marker.

AT BOMBAY.

6th February 1939.

340. Dr. H. P. Dastur, L.M. & S., Medical Officer, Tata Mills Ltd.

7th February 1939.

REPRESENTATIVES OF BROACH FINE COUNTS SPINNING AND WEAVING MILLS AND GOPAL MILLS CO. LTD., BROACH.

Mr. Nanddas Haridas.
341. Mr. A. C. Yagnik.
342. Mr. Balmukund K. Tulsan.
343. Mr. C. V. Nanavati.

8th and 9th February 1939.

THE KHANDESH, BERAR AND BURHANPUR MILLOWNERS' ASSOCIATION.

344. Mr. Chhotu Shet.
345. Mr. M. C. Kelkar.
346. Mr. D. H. Vyas.
347. Mr. H. V. Pataskar.
348. Mr. B. Samirmal.
349. Mr. G. V. Tongaonkar (Secretary).

10th February 1939.

350. Dr. H. V. Tilak, M.B.B.S. (Lond.), F.R.C.S. (Edin.), B.Sc., J.P.

13th February 1939.

REPRESENTATIVES OF THE SURAT COTTON SPINNING AND WEAVING MILLS LTD., AND NIRANJAN MILLS LTD., SURAT.

351. Mr. Ambalal B. Mahadevia.
352. Mr. A. H. Dalal.
353. Mr. J. C. Khatsuria.

14th, 15th and 16th February 1939.

Mr. F. Stones, O.B.E., M.L.C., Managing Director, Messrs. E. D. Sassoon & Co., Ltd.

(In camera.)

AT GADAG.

18th February 1939.

WORKERS FROM NARAYANDAS CHUNILAL COTTON SPINNING AND WEAVING MILLS.

354. Mr. Yellappa Venkappa, Finisher Tenter, Blow Room.
355. Mr. Kasanya Ninga, Can Boy.
356. Mr. Govinda Rudra, Slubbing Tenter.
357. Mr. Jangali Jalal, Inter Tenter.
358. Mr. Rasul Sultan, Roving Tenter.
359. Mr. Malla Galal, Drawing Tenter.
360. Mr. Vithalsa Surbantha, Doffer.
361. Mr. Lacha Chandya, Tarwalla.
362. Bai Yamuna Borappa, Doffer.
363. Bai Jaladi Sivad, Doffer.
364. Bai Nangamma Neelappa, Sider
365. Bai Yamanava Hoovappa, Sider.
366. Bai Laxmi Baloom, Reeler.
367. Bai Madanbi Husain, Reeler.
368. Bai Fathma Mulik, Winder.
369. Bai Goushidi Raja, Winder.
370. Mr. Merchappa Tukaram, Warper.
371. Mr. Rustom Allesab, Drawer-in.
372. Mr. Gaibusab Nazimsab, Sizer.
373. Mr. Vithalsa Yellappa, Two-loom Weaver.
374. Mr. Mohadinsab Nalisab, One-loom Weaver.
375. Mr. Chandrappa Irappa, One-loom Weaver.
376. Mr. Hajarat Adam, Two-loom Weaver.

AT HUBLI.

20th February 1939.

WORKERS FROM BHARAT SPINNING AND WEAVING MILLS CO., LTD.

377. Mr. Khaja Sahib Myamsab, Finisher Scutcher, Blow Room.
378. Mr. Tirumal Govind, Grinder.
379. Mr. Balappa Kelappa, Stripper.
380. Mr. Mohadinsab Ibrahimsab, Drawing Tenter.
381. Mr. Imamsab Dawoodsab, Stripper.
382. Mr. Abdul Kadar Babasab, Slubbing Tenter.
383. Mr. Khajasab Goususab, Inter Tenter.
384. Mr. Gaffarsab Khajasab, Roving Tenter.
385. Mr. Yashin Saiyadathu, Doffer.
386. Mr. Ayyappa Ramappa, Doffer.
387. Mr. Himam Peersab, Sider.
388. Mr. Mohamedgous Karimsab, Sider.
389. Mr. Jaguri Siraj, Sider.
390. Bai Gangabai Laxman, Reeler.

391. Bai Rahimbi Sayedsab, Reeler.
392. Mr. Ahmed Mohadinsab, Drawing Tenter.
393. Mr. Mohadin Fakrusab, Sider.
394. Mr. Ahmed Ismail, Reacher.
395. Mr. Raja Dastageer, Drawer-in.
396. Mr. Solomon Yohan, Front Sizer.
397. Mr. Yellappa Laxappa, Warper.
398. Mr. Jagannath Dattatraya, Creel Boy.
399. Mr. Davalsab Karimsab, Two-loom Weaver.
400. Mr. Mahomed Dawood, Two-loom Weaver.
401. Mr. Hasamsab Usmansab, One-loom Weaver.
402. Mr. Mahadu Oomarsab, One-loom Weaver.
403. Mr. Hanumant Srinivas, One-loom Weaver.
404. Mr. Narayan Venkatesh, Hand Folder.
405. Mr. Abdul Kadar Usmansab, Calenderman.
406. Bai Nannima Karimsab, Colour Winder.
407. Bai Hussainbi Baksarsab, Colour Winder.
408. Bai Irava Kallappa, Grey Winder.

AT GOKAK FALLS.

21st February 1939.

WORKERS FROM THE GOKAK MILLS LTD.

409. Mr. Bapoo Ghudoo, Opener Attendant.
410. Mr. Dastageer Khadirsab, Lap Carrier.
411. Mr. Rajasab Mahomedsab, Drawing Tenter.
412. Mr. Baloo Rama, Slubbing Tenter.
413. Mr. Hussainsab Sultansab, Frame Doffer.
414. Mr. Hussainsab Khadirsab, Roving Tenter.
415. Mr. Mallappa Basappa, Roving Tenter.
416. Mr. Hamid Mahomed, Inter Tenter.
417. Mr. Dastageer Madarsab, Single Sider.
418. Mr. Meera Peersab, Single Sider.
419. Mr. Gouskhan Alamkhan, Single Sider.
420. Mr. Meera Hamid, Single Sider.
421. Mr. Shankar Peerappa, Single Sider.
422. Mr. Hasan Mohideensab, Double Sider.
423. Bai Imamboo Hasansab, Single Sider.
424. Bai Kulsumbi Gousal, Reeler.
425. Bai Kadirbee Peersab, Reeler.
426. Bai Vithabai Nana, Reeler.
427. Bai Masabee Hamid, Reeler.
428. Mr. Gous Mahomedsab, Mule Star
429. Mr. Kadappa Mallappa, Grinder.
and 2 Strippers. (Nos. 430 and 431).

AT BOMBAY.

23rd February 1939.

Mr. F. Stones, O.B.E., M.L.C., Managing Director, Messrs. E. D. Sassoon & Co., Ltd.

(In camera.)

(Meeting adjourned at 2 p.m. as a mark of respect owing to the death of Lord Brabourne.)

24th February 1939.

(Morning.)

REPRESENTATIVES OF CHANDRODAYA MILLS LTD. AND JAYANTI MILLS LTD., VIRAMGAM.

432. Mr. Fakirbhai Bhagubhai.

433. Mr. Keshavlal Lallubhai.

434. Mr. Gordhanbhai Nathabhai.

(Afternoon.)

REPRESENTATIVE OF NEW SHORROCK SPINNING AND MANUFACTURING CO., LTD., NADIAD.

435. Mr. Gordhanbhai I. Patel.

27th February 1939.

(Morning.)

REPRESENTATIVES OF GOKAK MILLS LTD., GOKAK FALLS.

436. Mr. T. V. Baddeley.

437. Mr. E. H. Pogson.

438. Mr. J. C. Lancashire.

Mr. T. Maloney, M.C.

(Afternoon.)

REPRESENTATIVES OF SHREE RAM MILLS LTD., BOMBAY.

439. Mr. P. N. Mehta.

440. Mr. Bhogilal Lehrchand.

441. Mr. S. M. Cooper.

28th February 1939.

(Morning.)

Mr. F. Stones, O.B.E., M.L.C., Managing Director, Messrs. E. D. Sassoon & Co., Ltd.

(In camera.)

(Afternoon.)

REPRESENTATIVE OF NARAYANDAS CHUNILAL COTTON SPINNING AND WEAVING MILLS, GADAG.

442. Mr. B. G. Joshi.

1st March 1939.

(Morning.)

Mr. F. Stones, O.B.E., M.L.C., Managing Director, Messrs. E. D. Sassoon & Co., Ltd.

(*In camera.*)

(Afternoon.)

REPRESENTATIVES OF THE BHARAT SPINNING AND WEAVING MILLS, LTD., HUBLI.

443. Mr. Naranji Tulsidas.

444. Mr. Govind A. Nadkarni.

445. Mr. M. R. Bavle.

3rd March 1939.

(Morning.)

446. Dr. W. R. Aykroyd, M.D., Sc.D., Director of Nutrition Research, Indian Research Fund Association, Coonoor.

(Afternoon.)

Mr. F. Stones, O.B.E., M.L.C., Managing Director, Messrs. E. D. Sassoon & Co., Ltd.

(*In camera.*)

9th March 1939.

Dr. H. P. Dastur, L.M. & S., Medical Officer, Tata Mills Ltd.

10th March 1939.

Dr. H. V. Tilak, M.B.B.S. (Lond.), F.R.C.S. (Edin.), B.Sc., J.P.

13th March 1939.

(Morning.)

447. Dr. G. D. Vyas, D.O.M.S. (Lond.).

(Morning.)

448. Dr. A. S. Erulkar, M.D. (Lond.).

(Afternoon.)

449. Dr. Nazir Ahmed, M.Sc., Ph.D., Director, Technological Laboratory, Indian Central Cotton Committee, Bombay.

(*In camera.*)

14th March 1939.

450. Lt.-Col. S. S. Sokhey, M.D., I.M.S., Director, Haffkine Institute, Bombay.

15th March 1939.

THE INDIAN MERCHANTS' CHAMBER, BOMBAY.

451. Mr. M. C. Ghia, M.L.A.

452. Mr. A. D. Shroff.

453. Mr. J. K. Mehta (Secretary).

16th March 1939.

Mr. F. Stones, O.B.E., M.L.C., Managing Director, Messrs. E. D. Sassoon & Co., Ltd.

(In camera.)

AT SHOLAPUR.

23rd March 1939.

WORKERS FROM SHOLAPUR SPINNING AND WEAVING MILLS CO., LTD.

454. Mr. Dnyanadeo Maruti, Scutcher Tenter.
455. Mr. Mahiboob Abdulla, Can Boy.
456. Mr. Rajasab Rajabhai, Grinder.
457. Mr. Govind Kundlikar, Stripper.
458. Mr. Samba Dasarath, Drawing Tenter.
459. Mr. Ganoo Malhari, Slubbing Tenter.
460. Mr. Walkappa Sidlingappa, Inter Tenter.
461. Mr. Dhondibhai Shidram, Roving Tenter.
462. Mr. Rajaram Tukaram, Frame Doffer.
463. Mr. Ambadas Mahadeo, Ring Doffer.
464. Mr. Lalsab Murtug, Sider.
465. Mr. Narayan Ramdeo, Sider.
466. Bai Parvati Gopal, Reeler.
467. Bai Bayag Kedari, Reeler.
468. Mr. Vithal Yellappa, Roving Tenter.
469. Mr. Tukaram Girappa, Sider.
470. Mr. Dhyanappa Devappa, Sider.
471. Mr. Rama Tuljaram, Sider.
472. Mr. Bakhanna Badranna, Ring Doffer.
473. Mr. Ambadas Dhondu Jadhav, Sider.
474. Mr. Durgappa Bhima, Sider.
475. Mr. Shendya Poma, Sider.
476. Bai Lachamma Laxmayya, Sweeper.
477. Bai Amboobai Sakharam, Colour Winder.
478. Bai Foobai Dadarao, Grey Winder.
479. Mr. Jadhav Raoji, Warper.
480. Mr. Sumarsing Ramsing, Drawer-in.
481. Mr. Gurpadappa Basappa, Front Sizer.
482. Mr. Sadashiv Tatya, Two-loom Weaver.
483. Mr. Ramayya Pappayya, Two-loom Weaver.
484. Mr. Keroo Govind, One-loom Weaver.
485. Mr. Aboobakar Usmansab, Two-loom Weaver.
486. Bai Shantamma Tukaram, Colour Winder.
487. Mr. Pentayya Bhumayya, One-loom Weaver.
488. Mr. Hanumantu Channappa, One-loom Weaver.
489. Mr. Kisan Nagnath Sali, One-loom Weaver.
490. Mr. Nivritti Khandu, One-loom Weaver.
491. Mr. Bachanna Mallappa, One-loom Weaver.
492. Mr. Vyankappa Dattatraya, Two-loom Weaver.

493. Mr. Narsappa Tukaram, Two-loom Weaver.
494. Mr. Vyankappa Annegiri, Two-loom Weaver.
495. Mr. Shiva Shantaram, Dyeing Department.
496. Mr. Channappa Chanbasappa, Folder.

WORKERS FROM NARSINGGIRJI MANUFACTURING CO., LTD.

497. Mr. Shidu Balu, Inter Scutcher.
498. Mr. Siddappa Channappa, Stripper.
499. Mr. Saranappa Badlingappa, Drawing Tenter.
500. Mr. Ganpat Tukaram, Slubbing Tenter.
501. Mr. Dada Sitaram, Inter Tenter.
502. Mr. Ellappa Parshuram, Roving Tenter.
503. Mr. Ramchandra Giridhari, Tarwalla.
504. Mr. Kisan Ramchandra, Doffer Boy.
505. Mr. Rajaram Laxman, Half-time Doffer.
506. Mr. Sitaram Harischandra, Half-time Doffer.
507. Mr. Malliram Bhagirath, Sider.
508. Bai Anjana Krishna, Reeler.
509. Mr. Mallappa Lalappa, Roving Tenter.
510. Mr. Dhalya Tuljaram, Roving Tenter.
511. Mr. Yellappa Balappa, Sider.
512. Mr. Baloo Muttappa, Doubling Sider.
513. Mr. Tukaram Tuljaram, Roving Tenter.
514. Bai Godabai Kippanna, Winder.
515. Mr. Abdul Aziz Madarsab, Warper.
516. Mr. Govind Jagannath, Front Sizer.
517. Mr. Baburao Krishna, Drawer-in.
518. Mr. Tukaram Yenkappa, Two-loom Weaver.
519. Mr. Subanna Dhondhu, One-loom Weaver.
520. Mr. Jamalsaheb Esmailsaheb, Two-loom Weaver.
521. Mr. Ramchandra Dajiba, Two-loom Weaver.
522. Mr. Dattatraya Sadhu, Two-loom Weaver.
523. Mr. Tipanna Venkappa, Folder.
524. Mr. Bandappa Malkappa, Folder.

WORKERS FROM JAM SHRI RANJITSINGHJI SPINNING AND WEAVING MILLS.

525. Mr. Babu Jeenu, Grinder.
526. Mr. Bhimayya Lalappa, Stripper.
527. Mr. Pandurang Bhagwan, Drawing Tenter.
528. Mr. Sripati Parsuram, Slubbing Tenter.
529. Mr. Rajaram Hariba, Inter Tenter.
530. Mr. Tatya Shiduram, Roving Tenter.
531. Mr. Daniel Nathuba, Sider.
532. Bai Shivbai Lingappa, Reeler.
533. Mr. Maganbhai Nathubhai Patel, Warper.
534. Mr. A. P. Darwar, Front Sizer.
535. Mr. Bhimrao Shidram, Reacher.
536. Mr. Abdul Gafoor Ismailsab, Two-loom Weaver.
537. Mr. Chand Appabhai, Two-loom Weaver.

538. Mr. Abdul Karim Haboomia, One-loom Weaver.
539. Bai Tulsibai Krishna, Grey Winder.
540. Mr. Khajabhai Rahmansab, Weaver.

WORKERS FROM LAKSHMI COTTON MILLS LTD.

541. Mr. Yellappa Shivram, Inter Scutcher Tenter.
542. Mr. Hanumantoo Narsappa, Opener Tenter.
543. Mr. Eknath Jaywant, Can Boy.
544. Mr. Pirsaheb Kasimsaheb, Stripper and Grinder.
545. Mr. Bapu Namdeo, Drawing Tenter.
546. Mr. Dhruva Piraji, Slubbing Tenter.
547. Mr. Rachappa Malgappa, Inter Tenter.
548. Mr. Dastagir Mahomed, Roving Tenter.
549. Mr. Hirachand Gena, Frame Doffer.
550. Mr. Irappa Dhondappa, Ring Doffer.
551. Mr. Raulappa Narsappa, Doffer Boy.
552. Mr. Bapu Mogali, Sider.
553. Mr. Rakhmaji Mahadeo, Sider.
554. Mr. Pirsab Kadirsab, Double Sider.
555. Bai Chandrabai Manginath, Reeler.
556. Bai Tai Balu, Reeler.
557. Mr. Dakappa Ayallappa, Carding Tenter.
558. Mr. Dagdu Kisan, Roving Tenter.
559. Mr. Rama Dattu, Roving Tenter.
560. Mr. Narsappa Kashinath, Ring Sider.
561. Mr. Hanmanta Ragappa, Roving Tenter.
562. Mr. Lingayya Baloo, Sider.
563. Mr. Dasharath Parshram, Sider.
564. Mr. Dagdoo Nana, Sider.
565. Mr. Dastagir Hussein, Pirn Winder.
566. Bai Shanta Keshav, Winder.
567. Bai Chandir Hassansab, Winder.
568. Mr. Imamsaheb Ismail, Warper.
569. Mr. Chandsaheb Huseinsaheb, Front Sizer.
570. Mr. Bujrook Ghudubhai, Drawer-in.
571. Mr. Khajabhai Mahomed, Reacher.
572. Mr. Bhadrappa Bhumayya, Two-loom Weaver.
573. Mr. Venkappa Magappa, Two-loom Weaver.
574. Mr. Bhagayya Bhumayya, One-loom Weaver.
575. Bai Laxmi Rajaram, Colour Winder.
576. Bai Siddamma Venkappa, Colour Winder.
577. Mr. Birbal Lalkhan, Sizer.
578. Mr. Narayan Vithoba, Two-loom Weaver.
579. Mr. Venkappa Dharmayya, Two-loom Weaver.
580. Mr. Ramaswami Shivayya, Two-loom Weaver.
581. Mr. Narasayya Venkayya, Two-loom Weaver.
582. Mr. Muddayya Narsayya, Two-loom Weaver.
583. Mr. Vithoba Mallappa, Two-loom Weaver.
584. Mr. Sidram Posheti, One-loom Weaver.

WORKERS FROM VISHNU COTTON MILLS LTD.

585. Mr. Rama Govinda, Carding Tenter.
586. Mr. Bandappa Timpa, Carding Tenter.
587. Mr. Bhima Tima, Cooly.
588. Mr. Kashappa Gangappa, Sider.
589. Mr. Narayan Malhari, Sider.
590. Mr. Tukaram Appanna, Two-loom Weaver.
591. Mr. Sidram Sayanna, Two-loom Weaver.
592. Mr. Venkappa Mallayya, Two-loom Weaver.
593. Mr. Irappa Laxmi, Kandi Khata.

AT BARSI.

24th March 1939.

WORKERS FROM BARSI SPINNING AND WEAVING MILLS LTD.

594. Mr. Dnyanoba Narayan, Finisher Tenter.
595. Mr. Genu Sadu, Stripper.
596. Mr. Sahadev Nepal, Grinder.
597. Mr. Laxman Vithoba, Lap Carrier.
598. Mr. Pandurang Appa, Slubbing Tenter.
599. Mr. Ramdya Govind, Drawing Tenter.
600. Mr. Ramrao Vishwanath, Inter Tenter.
601. Mr. Limba Nathela, Roving Tenter.
602. Mr. Panjya Dhondi, Sider.
603. Mr. Hiramani Shamrya, Sider.
604. Mr. Vithoba Pandurang, Sider.
605. Mr. Maruti Irappa, Sider.
606. Mr. Hiramani Dhanjya, Tarwalla.
607. Mr. Nagnath Bapoo, Tarwalla.
608. Mr. Malkappa Sheti, Frame Doffer.
609. Mr. Lachya Tulja, Half-timer.
610. Mr. Ansar Surtya, Half-timer.
611. Mr. Prayag Bhau, Reeler.
612. Mr. Pandhari Ganpati, Warper.
613. Mr. Dagdoo Narayan, Warping Creeler.
614. Mr. Mahomed Kasim Ansari, Front Sizer.
615. Mr. Gena Tatya, Back Sizer.
616. Mr. Rama Nama, Drawer-in.
617. Mr. Kalyan Manohar, Reacher.
618. Mr. Babulal Ismail, Two-loom Weaver.
619. Mr. Janardan Rama, Two-loom Weaver.
620. Mr. Sopan Govind, Two-loom Weaver.
621. Mr. Ekambar Maruti, One-loom Weaver.
622. Mr. Narsi Eknath, One-loom Weaver.
623. Mr. Abdul Gulab, Machine Folder.
624. Bai Kashibai Dhondi, Grey Winder.
625. Bai Parvati Krishna, Grey Winder.
626. Bai Sundra Krishna, Pirn Winder.
627. Bai Chandvi Hajeka, Colour Winder.

WORKERS FROM LOKMANYA MILLS, BARSI, LTD.

628. Mr. Jeena Sadu, Inter Finisher Scutcher.
629. Mr. Tatyaba Tukaram, Fly Collector.
630. Mr. Sopan Narayan, Stripper.
631. Mr. Sakharam Kushaba, Grinder.
632. Mr. Digamber Tukaram, Drawing Tenter.
633. Mr. Dagdoo Mija, Slubbing Tenter.
634. Mr. Tukaram Nivritti, Inter Tenter.
635. Mr. Bhagwan Raosahib, Roving Tenter.
636. Mr. Mahankala Daula, Sider.
637. Mr. Krishna Yedoo, Sider.
638. Mr. Balbhim Malkarjun, Sider.
639. Mr. Eknath Yadav, Doffer Boy.
640. Mr. Ganpat Namdeo, Doffer Boy.
641. Mr. Yellappa Rajappa, Doffer Boy.
642. Bai Tanu Maruti, Reeler.
643. Bai Kali Limba, Reeler.
644. Bai Mathura Bhagwant, Pirn Winder.
645. Mr. Dattatraya Ramchandra, Reacher.
646. Mr. Shivlal Harischandra, One-loom Weaver.
647. Mr. Bhaskar Laxman, One-loom Weaver.

WORKERS FROM JAYASHANKAR MILLS LTD.

648. Mr. Bapoo Vithoba, Finisher Scutcher Tenter.
649. Mr. Changdeo Bapoo, Can Boy.
650. Mr. Pansi Aba, Stripper.
651. Mr. Baburao Rambhau, Drawing Tenter.
652. Mr. Sadashiv Malkarjun, Slubbing Tenter.
653. Mr. Bhagwant Bapoo, Inter Tenter.
654. Mr. Tulsiram Mukund, Roving Tenter.
655. Mr. Rama Bapoo, Sider.
656. Mr. Rawoo Sayaji, Sider.
657. Mr. Dattoo Dayappa, Doffer Boy.
658. Bai Tippava Vasant, Reeler.
659. Bai Gangoo Maruti, Reeler.
660. Bai Krishnabai Mahadev, Reeler.

AT POONA.

25th March 1939.

WORKERS FROM RAJA BAHADUR MOTILAL POONA MILLS LTD.

661. Mr. Ramchandra Dhondi, Blow Room Attendant.
662. Mr. Ramchanda Tatya, Carding Tenter.
663. Mr. Shivram Lawha, Stripper.
664. Mr. Govind Laxman, Drawing Tenter.
665. Mr. Shripat Bheemati, Slubbing Tenter.
666. Mr. Shivram Vithu, Inter Tenter.
667. Mr. Nana Tukaram, Roving Tentor.
668. Mr. Bhau Vithu, Sider.

669. Mr. Devji Mulji, Sider.
670. Mr. Yeshwant Baburao, Sider.
671. Mr. Malla Fakira, Sider.
672. Mr. Hiraman Sakharam, Ring Doffer.
673. Mr. Pandurang Gopal, Frame Doffer.
674. Bai Ganga Kashiram, Colour Winder.
675. Bai Yamuna Basappa, Grey Winder.
676. Mr. Babu Kushaba, Warper.
677. Mr. Balwant Mahadeo, Front Sizer.
678. Mr. Rajaram Dhondu, Drawer-in.
679. Mr. Tukaram Govind, Two-loom Weaver.
680. Mr. Abu Imam, Two-loom Weaver.
681. Mr. Bala Abaji, Machine Folder.

AT BOMBAY.

28th and 29th March 1939.

REPRESENTATIVES OF MILLS IN SHOLAPUR.

682. Mr. F. Light. } Representing Lakshmi Cotton and Vishnu Cotton
683. Mr. A. L. Hutson. } Mills, Ltd.
684. Mr. Vallabhdas G. Mehta—Representing Jam Shri Ranjitsinghji Mills.
685. Mr. B. D. Motiwala—Representing Narsingghirji Manufacturing Co., Ltd.
686. Mr. Ranchhodlal Amratlal—Representing Sholapur Spinning and Weaving Co., Ltd.

30th March 1939.

THE INDIAN MERCHANTS' CHAMBER, BOMBAY.

Mr. M. C. Ghia, M.L.A.
Mr. A. D. Shroff.
Mr. J. K. Mehta.

1st April 1939.

THE NATIVE SHARE AND STOCK BROKERS' ASSOCIATION, BOMBAY.

687. Mr. K. R. P. Shroff.
688. Mr. Jamnadas Morarjee.
689. Mr. N. N. Dubash (Secretary).

2nd April 1939.

(Morning.)

REPRESENTATIVES OF THE MILLS IN BARSI.

690. Mr. B. P. Sulakhe—Representing Lokamanya Mills, Barsi, Ltd.
691. Mr. G. R. Zadbuke—Representing Jayashankar Mills Ltd.
692. Mr. J. B. Arwade. } Representing the Barsi Spinning and Weaving
693. Mr. V. S. Mehta. } Mills Ltd.

(Afternoon.)

REPRESENTATIVES OF THE EASTERN BEDAUX COMPANY, CALCUTTA.

694. Mr. J. M. Moore, Managing Director.
695. Mr. M. K. Rao.
696. Mr. M. R. Leach.
697. Mr. D. D. Foucha.

3rd April 1939.

MILLOWNERS' ASSOCIATION, BOMBAY.

Mr. T. V. Baddeley (Chairman).
698. Sir H. P. Mody, K.B.E.
Mr. Krishnaraj M. D. Thackersey.
Mr. Dharamsey Mulraj Khatau.
Mr. H. F. Milne.
Mr. T. Maloney, M.C. (Secretary).
699. Mr. R. G. Gokhale (Labour Officer).

(In camera.)

11th April 1939.

THE LAL BAWTA GIRNI KAMGAR UNION, SHOLAPUR.

700. Mr. G. D. Sane.
701. Mr. S. G. Sardesai.
702. Mr. R. G. Karhadkar.
Mr. Khajabhai Rahmanbhai.

12th April 1939.

THE GIRNI KAMGAR UNION, DHULIA.

703. Mr. S. S. Paranjape.
704. Mr. N. T. Lohar.
705. Mr. S. V. Sape.
706. Mr. B. T. Ranadive.

13th April 1939.

(Morning.)

THE GIRNI KAMGAR SANGH, HUBLI.

707. Mr. K. M. Dundur.
708. Mr. Gudleppa Hallikeri.
709. Mr. Sumitragouda Patil.
710. Mr. N. B. Hiremath (Secretary).

(Afternoon.)

REPRESENTATIVES OF RAJA BAHADUR MOTILAL POONA MILLS, POONA.

711. Mr. Madanlal Jalan.
712. Mr. P. M. Pampalia.
713. Mr. Purshottamdas.

14th April 1939.

MILLOWNERS' ASSOCIATION, BOMBAY.

Mr. T. V. Baddeley (Chairman).
714. Mr. Neville N. Wadia (Deputy Chairman).
Sir H. P. Mody, K.B.E.
Mr. Krishnaraj M. D. Thackersey.
Mr. Dharamsey Mulraj Khatau.
Mr. H. F. Milne.
Mr. T. Maloney, M.C. (Secretary).
Mr. R. G. Gokhale (Labour Officer).

(In camera.)

17th April 1939.

THE GUJARAT SARNI KAMDAR ASSOCIATION, AHMEDABAD.

715. Mr. Rahimkhan Abdulkhan.
716. Mr. Valiullah Hafeezullah.
717. Mr. S. A. Arab (Hon. Secretary).
718. Mr. Abdul Rasool Noor Mahomed.

20th April 1939.

MILLOWNERS' ASSOCIATION, BOMBAY.

Mr. T. V. Baddeley (Chairman).
Mr. Neville N. Wadia (Deputy Chairman).
719. Mr. Amubhai M. Mehta.
720. Mr. J. A. Sutton.
721. Mr. Hinchcliffe.
Mr. T. Maloney, M.C. (Secretary).

(In camera.)

(Evening.)

722. Sir Ness Wadia, Agent, The Bombay Dyeing and Manufacturing Co., Ltd., Bombay.
Mr. Neville N. Wadia.

(In camera.)

11th and 12th May 1939.

MILLOWNERS' ASSOCIATION, BOMBAY.

Mr. T. V. Baddeley (Chairman).
Mr. Neville N. Wadia (Deputy Chairman).
Mr. Krishnaraj M. D. Thackersey.
Mr. H. F. Milne.
Mr. Amubhai M. Mehta.
Mr. T. Maloney, M.C. (Secretary).
Mr. R. G. Gokhale (Labour Officer).

(In camera.)

7th July 1939.

AHMEDABAD MILLOWNERS' ASSOCIATION.

Mr. Shantilal Mangaldas.
723. Mr. Surottam P. M. Huthcesing.
Mr. Nanddas Haridas.
Mr. B. L. Umarvadia (Secretary).

(In camera.)

17th July 1939.

BOMBAY PROVINCIAL TRADE UNION CONGRESS.

Mr. S. A. Dange.
Mr. S. S. Mirajkar.

(In camera.)

19th July 1939.

REPRESENTATIVES OF THE MILLS IN SHOLAPUR.

724. Mr. A. L. Hutson .. } Representing Lakshmi Cotton and Vishnu Cotton
Mr. C. A. Cookson . } Mills Ltd.

Mr. Vallabhdas G. Mehta—Representing Jam Shri Ranjitsinghji Mills.

Mr. B. D. Motiwala—Representing Narsingghirji Manufacturing Co., Ltd.

Mr. Ranchhodlal Amratlal—Representing Sholapur Spinning and Weaving Co., Ltd.

(In camera.)

12th August 1939.

(Morning.)

BOMBAY PROVINCIAL TRADE UNION CONGRESS.

Mr. S. A. Dange.

Mr. S. S. Mirajkar.

(In camera.,

(Afternoon.)

THE LAL BAWTA GIRNI KAMGAR UNION, SHOLAPUR.

Mr. G. D. Sane.

Mr. S. G. Sardesai.

725. Mr. Sidramappa Falmari.

(In camera.)

18th August 1939.

MILLOWNERS' ASSOCIATION, BOMBAY.

Mr. T. V. Baddeley (Chairman).

Mr. Neville N. Wadia (Deputy Chairman).

Mr. Amubhai M. Mehta.

726. Mr. H. Bracewell.

727. Mr. N. S. V. Iyer (Acting Secretary).

Mr. R. G. Gokhale (Labour Officer).

(In camera.)

26th August 1939.

KHANDESH, BERAR AND BURHANPUR MILLOWNERS' ASSOCIATION.

Mr. M. C. Kelkar.

Mr. D. H. Vyas.

Mr. G. V. Tongaonkar (Secretary).

(In camera.)

31st August 1939.

BOMBAY PROVINCIAL TRADE UNION CONGRESS.

Mr. S. A. Dange.
Mr. S. S. Mirajkar.
728. Mr. K. N. Joglekar.
729. Mr. S. P. Bhise.

(*In camera.*)

1st September 1939.

MILLOWNERS' ASSOCIATION, BOMBAY.

Mr. T. V. Baddeley (Chairman).
Mr. Neville N. Wadia (Deputy Chairman).
Mr. Amubhai M. Mehta.
Mr. H. Bracewell.
Mr. N. S. V. Iyer (Acting Secretary).
Mr. R. G. Gokhale (Labour Officer).

(*In camera.*)

23rd September 1939.

(Morning.)

AMALNER AND DHULIA GIRNI KAMGAR UNIONS.

730. Mr. V. G. Bhagwat ..
731. Mr. V. A. Kulkarni .. } Representing Amalner Girni Kamgar Union.

Mr. S. S. Paranjape ..
Mr. S. V. Sape .. } Representing Dhulia Girni Kamgar Union.
732. Mr. D. S. Sonar ..

(*In camera.*)

(Afternoon.)

REPRESENTATIVES OF MILLS IN SHOLAPUR.

Mr. A. L. Hutson.
Mr. C. A. Cookson.
Mr. Ranchhodlal Amratlal.
733. Mr. L. F. H. Goodwin.

(*In camera.*)

APPENDIX IV.

A LIST OF MILLS, FACTORIES, INSTITUTIONS, ETC., VISITED BY THE COMMITTEE.

Monday, 14th November 1938.

The Kohinoor Mills Co., Ltd., Bombay.

Saturday, 7th January 1939.

The Ahmedabad Manufacturing and Calico Printing Co., Ltd., Ahmedabad.
The Motilal Hirabhai Spinning, Weaving and Manufacturing Co., Ltd., Ahmedabad.
The Maneklal Harilal Spinning and Manufacturing Co., Ltd., Ahmedabad.

Monday, 9th January 1939.

The Chandrodaya Mills Ltd., Viramgam.
The Jayanti Mills Ltd., Viramgam.
The Office of the Branch of the Textile Labour Association of Ahmedabad, Viramgam.

Thursday, 12th January 1939.

The Arvind Mills Ltd., Ahmedabad, to see Night Shift Working.

Monday, 16th January 1939.

The Offices of and the various Welfare Activities conducted by the Textile Labour Association, Ahmedabad.

Thursday, 19th January 1939.

The New Shorrock Spinning and Manufacturing Co., Ltd., Nadiad.

Friday, 20th January 1939.

The Mill Chawls provided by Millowners, Broach.
The Broach Fine Counts Spinning and Weaving Co., Ltd., Broach.
The Gopal Mills Co., Ltd., Broach.
The Niranjan Mills Ltd., Surat.
The Surat Cotton Spinning and Weaving Mills Ltd., Surat.
Housing and Toddy Shop Area, Surat.

Wednesday, 25th January 1939.

The Jacob Sassoon Mills, Bombay.

Monday, 30th January 1939.

The Gendalal Mills Ltd., Jalgaon.
The Khandesh Spinning and Weaving Mills Co., Ltd., Jalgaon.

Tuesday, 31st January 1939.

The Pratap Spinning, Weaving and Manufacturing Co., Ltd., Amalner.

Thursday, 2nd February 1939.

The Chalisgaon Shri Laxmi Narayan Mills Ltd., Chalisgaon.

Friday, 3rd February 1939.

The New Pratap Spinning, Weaving and Manufacturing Co., Ltd., Dhulia.

Saturday, 4th February 1939.

The Gujarath Weaving Mills, Dhulia.
The Saraswati Weaving Mills, Dhulia.

Saturday, 18th February 1939.

The Narayandas Chunilal Cotton Spinning and Weaving Mills, Gadag.
The Criminal Tribes Settlement, Gadag.

Monday, 20th February 1939.

The Bharat Spinning and Weaving Co., Ltd., Hubli.
The Office of the Girni Kamgar Sangh, Hubli.

Tuesday, 21st February 1939.

The Gokak Mills Ltd., Gokak Falls.

Friday, 24th February 1939.

The Jacob Sassoon Mills, Bombay.

Thursday, 16th March 1939.

The Turkey Red Dye Works, Bombay.
The Jacob Sassoon Mills, Bombay.

Monday, 20th March 1939.

The Laxmi Cotton Manufacturing Co., Ltd., Sholapur.
The Vishnu Cotton Manufacturing Co., Ltd., Sholapur.
The Sholapur Spinning and Weaving Co., Ltd., Sholapur.

Tuesday, 21st March 1939.

The Narsingghirji Manufacturing Co., Ltd., Sholapur.
The Jam Shri Ranjitsinghji Spinning and Weaving Mills Co., Ltd., Sholapur.
The Dhanrajgirji Hospital, Sholapur.
The Branch Office of the Gokhale Institute of Politics and Economics, Sholapur.
The Municipal Technical School, Sholapur.
Handloom Factories, Sholapur.
The Office of the Lal Bavta Girni Kamgar Union, Sholapur.
Housing of Workers, Sholapur.
The Criminal Tribes Settlement, Sholapur.

Thursday, 23rd March 1939.

The Tikekar Textile Mills, Tikekarwadi.
The Shivaji Metal Works, Tikekarwadi.
The Jam Shri Ranjitsinghji Spinning and Weaving Mills Co., Ltd., Sholapur, to see Night Shift Working.

Friday, 24th March 1939.

The Barsi Spinning and Weaving Mills Ltd., Barsi.
The Jayashankar Mills Barsi, Ltd., Barsi.
The Lokmanya Mills Barsi, Ltd., Barsi.

Saturday, 25th March 1939.

The Raja Bahadur Motilal Poona Mills Ltd., Poona.
The Gokhale Institute of Politics and Economics, Poona.

Sunday, 2nd April 1939.

The Office of the Girni Kamgar Union (Red Flag), Poibavdi, Bombay.

Monday, 3rd April 1939.

The Office of the Government Labour Officer at the Development Department Chawls at DeLisle Road, Bombay.

Tuesday, 11th April 1939.

The Technological Laboratory of the Indian Central Cotton Committee, Bombay.

Wednesday, 12th April 1939.

The Heajds and Reeds Manufacturing Company of India Ltd., Bombay.

Monday, 17th April 1939.

The Sir Shapurji Broacha Mills Ltd., Bombay.

Tuesday, 18th April 1939.

The Factory of the Western India Match Co., Ambernath.
Messrs. Lever Brothers' Soap Factory, Sewri.
The Sir Shapurji Broacha Mills Ltd., Bombay.

Wednesday, 19th April 1939.

The Carrage and Wagon Shop of the G. I. P. Railway, Matunga, Bombay.
The Textile Technical School of the Social Service League, Bombay.

Thursday, 20th April 1939.

The Century Mill at midnight to see Night Shift Working.

Friday, 13th October 1939.

The Government Welfare Centre at DeLisle Road, Bombay.
The Government Welfare Centre at Kalachowki, Bombay.

APPENDIX V.

CORRESPONDENCE BETWEEN THE COMMITTEE AND GOVERNMENT ON REPRESENTATIONS MADE ON INTERIM REPORT.

No. 5075.

OFFICE OF THE TEXTILE LABOUR
INQUIRY COMMITTEE, TOWN HALL:

Bombay, 3rd April 1939.

FROM

THE HONOURABLE MR. JUSTICE H. V. DIVATIA,
Chairman, Textile Labour Inquiry Committee,
Town Hall, Bombay.

To

THE CHIEF SECRETARY TO GOVERNMENT,
Political and Services Department,
Bombay.

SIR,

I have the honour to refer to your memorandum No. 1988/34-E, dated the 30th January 1939, and also to your letter No. 1988/34-E, dated the 22nd March 1939, in connection with the Interim Recommendations of the Textile Labour Inquiry Committee.

2. With reference to your letter No. 1988/34-E, dated the 22nd March 1939, I have the honour to inform you that the representatives of the Khandesh, Berar and Burhanpur Millowners' Association, to which all the cotton textile mills in East and West Khandesh are affiliated, were examined by the Committee at length on the 8th and 9th February 1939. While examining them the Committee had in view the representation made by them to the Prime Minister, and this representation will be given consideration before framing the final Report.

3. With reference to your letter No. 1988/34-E of 30th January 1939, I have the honour to inform you that the second term of reference of the Committee, viz., whether "in view of the present condition of the industry an immediate increase in wages can be given in any occupation, centre or unit of the industry, pending the conclusion of the Committee's work and the preparation of its report" was considered and disposed of when the Committee submitted their recommendations in their Interim Report. The Committee hold that they have completed their task so far as this term of reference is concerned.

4. The various representations of the millowners raised questions regarding the correctness of the conclusions and assumptions made by the Committee in its Interim Report and also regarding the changes in the conditions of the industry subsequent to the submission of the Interim Report. Any examination of the issues raised will require a detailed investigation, perhaps even more elaborate than the one undertaken by the Committee before presenting the Interim Report. The Committee feel that, having once fully disposed of the second term of reference, they cannot hold another inquiry into this question; nor is it for them to traverse again the same ground on which their considered opinion is already embodied in the Interim Report.

5. The Committee therefore feel that the representations made to Government by various associations and bodies in connection with the Interim Recommendations, as well as the question whether the position should be re-examined, are matters which it is entirely for Government to consider.

I have the honour to be,
Sir,
Your most obedient servant,

(Signed) H. V. DIVATIA,
Chairman,
Textile Labour Inquiry Committee.

APPENDIX V—*contd.*

No. 1988/34-E.

POLITICAL AND SERVICES DEPARTMENT:
Bombay Castle, 26th May 1939.

FROM

SIR GILBERT WILES, K.C.I.E., C.S.I.,
Chief Secretary to the Government of Bombay,
Political and Services Department.

To

THE CHAIRMAN,
Textile Labour Inquiry Committee.

Subject.—Interim Recommendations of the Committee.

SIR,

I am directed to reply to your letter No. 5075 of the 3rd April 1939, and to say that Government accept the view expressed in paragraphs 3 and 4 of the letter that with the submission of the Interim Report, the Committee completed the task referred to them in the second term of reference.

I have the honour to be,
Sir,
Your most obedient servant,

(Signed) G. WILES,
Chief Secretary to the Government of Bombay,
Political and Services Department.

APPENDIX VI.

AVERAGE NUMBER OF EARNERS AND DEPENDANTS IN COTTON MILL WORKERS' FAMILIES AT CENTRES OTHER THAN BOMBAY, AHMEDABAD AND SHOLAPUR—BY INCOME GROUPS.

Income group.	Earners.	Dependants.	Dependants living away from the family.	Total.
VIRAMGAM.				
Below Rs. 15	1·50	2·00	....	3·50
Rs. 15 and below Rs. 20 ..	1·50	2·39	....	3·89
Rs. 20 and ,, Rs. 25 ..	1·37	2·74	....	4·11
Rs. 25 and ,, Rs. 30 ..	1·45	2·88	....	4·33
Rs. 30 and ,, Rs. 35 ..	1·58	3·16	0·16	4·90
Rs. 35 and ,, Rs. 40 ..	2·00	2·17	0·06	4·23
Rs. 40 and ,, Rs. 45 ..	2·00	2·60	....	4·60
Rs. 45 and ,, Rs. 50 ..	2·33	3·50	0·33	6·16
Rs. 50 and over	2·83	2·67	0·33	5·83
All incomes	1·67	2·76	0·07	4·50
NADIAD.				
Below Rs. 15	1·00	2·20	....	3·20
Rs. 15 and below Rs. 20 ..	1·17	2·89	0·06	4·12
Rs. 20 and ,, Rs. 25 ..	1·88	2·50	....	4·38
Rs. 25 and ,, Rs. 30 ..	1·30	3·40	....	4·70
Rs. 30 and ,, Rs. 35 ..	1·57	2·86	0·10	4·53
Rs. 35 and ,, Rs. 40 ..	1·37	2·94	0·13	4·44
Rs. 40 and ,, Rs. 45 ..	1·41	3·24	0·47	5·12
Rs. 45 and ,, Rs. 50 ..	2·00	3·00	....	5·00
Rs. 50 and over	1·80	3·10	0·70	5·60
All incomes	1·44	2·99	0·17	4·60

Income group.	Earners.	Dependants.	Dependants living away from the family.	Total.
BROACH.				
Below Rs. 15	1·67	0·66	....	2·33
Rs. 15 and below Rs. 20 ..	1·14	2·52	....	3·66
Rs. 20 and ,, Rs. 25 ..	1·67	2·75	....	4·42
Rs. 25 and ,, Rs. 30 ..	2·05	2·26	....	4·31
Rs. 30 and ,, Rs. 35 ..	1·83	3·50	0·12	5·45
Rs. 35 and ,, Rs. 40 ..	1·69	4·62	....	6·31
Rs. 40 and ,, Rs. 45 ..	1·67	3·00	....	4·67
Rs. 45 and ,, Rs. 50 ..	3·00	2·50	....	5·50
Rs. 50 and over	2·63	5·50	0·13	8·26
All incomes	1·76	3·16	0·04	4·96
SURAT.				
Below Rs. 15	1·00	2·00	....	3·00
Rs. 15 and below Rs. 20 ..	1·33	2·17	....	3·50
Rs. 20 and ,, Rs. 25 ..	1·72	2·72	0·17	4·61
Rs. 25 and ,, Rs. 30 ..	2·25	2·75	0·08	5·08
Rs. 30 and ,, Rs. 35 ..	1·86	4·14	....	6·00
Rs. 35 and ,, Rs. 40 ..	1·40	3·20	0·10	4·70
Rs. 40 and ,, Rs. 45 ..	1·50	3·67	....	5·17
Rs. 45 and ,, Rs. 50 ..	2·50	3·50	....	6·00
Rs. 50 and over	2·33	3·67	2·00	8·00
All incomes	1·75	3·01	0·16	4·92
AMALNER.				
Below Rs. 15	1·50	3·13	....	4·63
Rs. 15 and below Rs. 20 ..	1·27	3·65	....	4·92
Rs. 20 and ,, Rs. 25 ..	1·57	4·71	....	6·28
Rs. 25 and ,, Rs. 30 ..	1·50	4·00	....	5·50
Rs. 30 and ,, Rs. 35 ..	1·75	4·25	....	6·00
Rs. 35 and ,, Rs. 40 ..	1·67	4·00	....	5·67
Rs. 40 and ,, Rs. 45 ..	2·00	5·00	....	7·00
Rs. 45 and ,, Rs. 50 ..	2·00	5·00	0·75	7·75
Rs. 50 and over	2·00	4·00	1·00	7·00
All incomes	1·49	3·82	0·06	5·37

Income group.	Earners.	Dependants.	Dependants living away from the family.	Total.
JALGAON.				
Below Rs. 15	1·31	2·64	....	3·95
Rs. 15 and below Rs. 20 ..	1·41	3·31	0·07	4·79
Rs. 20 and ,, Rs. 25 ..	1·66	3·67	....	5·33
Rs. 25 and ,, Rs. 30 ..	2·00	4·28	....	6·28
Rs. 30 and ,, Rs. 35 ..	2·83	2·83	....	5·66
Rs. 35 and ,, Rs. 40 ..	1·80	5·40	....	7·20
Rs. 40 and ,, Rs. 45 ..	3·00	....	2·00	5·00
Rs. 45 and ,, Rs. 50 ..	2·00	3·50	....	5·50
Rs. 50 and over	3·40	6·20	....	9·60
All incomes	1·73	3·48	0·05	5·26
CHALISGAON.				
Below Rs. 15	1·27	3·00	....	4·27
Rs. 15 and below Rs. 20 ..	1·45	3·55	....	5·00
Rs. 20 and ,, Rs. 25 ..	2·50	3·00	....	5·50
Rs. 25 and ,, Rs. 30 ..	1·57	4·14	....	5·71
Rs. 30 and ,, Rs. 35 ..	2·17	3·00	0·17	5·34
Rs. 35 and ,, Rs. 40 ..	3·00	6·00	....	9·00
Rs. 40 and ,, Rs. 45 ..	3·00	6·33	....	9·33
Rs. 45 and ,, Rs. 50 ..	....	....	....	....
Rs. 50 and over	1·00	5·00	....	6·00
All incomes	1·73	3·70	0·03	5·46
DHULIA.				
Below Rs. 15	1·33	3·67	....	5·00
Rs. 15 and below Rs. 20 ..	1·20	3·76	0·16	5·12
Rs. 20 and ,, Rs. 25 ..	1·91	3·92	0·17	6·00
Rs. 25 and ,, Rs. 30 ..	1·92	4·23	0·23	6·38
Rs. 30 and ,, Rs. 35 ..	2·00	3·50	....	5·50
Rs. 35 and ,, Rs. 40 ..	1·33	3·00	....	4·33
Rs. 40 and ,, Rs. 45 ..	2·00	5·33	....	7·33
Rs, 45 and ,, Rs. 50 ..	2·00	4·00	....	6·00
Rs. 50 and over	3·33	5·34	....	8·67
All incomes	1·63	3·94	0·12	5·69

Income group.	Earners.	Dependants.	Dependants living away from the family.	Total.
BARSI.				
Below Rs. 15	1·33	2·56	....	3·89
Rs. 15 and below Rs. 20 ..	1·90	2·00	....	3·90
Rs. 20 and ,, Rs. 25 ..	2·14	2·43	....	4·57
Rs. 25 and ,, Rs. 30 ..	2·28	3·86	....	6·14
Rs. 30 and ,, Rs. 35 ..	3·00	2·34	....	5·34
Rs. 35 and ,, Rs. 40 ..	....	....	....	....
Rs. 40 and ,, Rs. 45 ..	....	....	....	....
Rs. 45 and ,, Rs. 50 ..	....	....	....	....
Rs. 50 and over	....	....	....	....
All incomes	1·84	2·60	....	4·44
HUBLI.				
Below Rs. 15	1·29	3·57	....	4·86
Rs. 15 and below Rs. 20 ..	1·42	2·26	....	3·68
Rs. 20 and ,, Rs. 25 ..	1·64	4·09	....	5·73
Rs. 25 and ,, Rs. 30 ..	2·40	4·80	....	7·20
Rs. 30 and ,, Rs. 35 ..	1·60	3·40	....	5·00
Rs. 35 and ,, Rs. 40 ..	3·00	5·00	....	8·00
Rs. 40 and ,, Rs. 45 ..	....	....	....	....
Rs. 45 and ,, Rs. 50 ..	5·00	3·00	3·00	11·00
Rs. 50 and over	2·00	4·00	....	6·00
All incomes	1·68	3·41	0·05	5·14
GADAG.				
Below Rs. 15	1·43	1·57	....	3·00
Rs. 15 and below Rs. 20 ..	2·14	3·00	....	5·14
Rs. 20 and ,, Rs. 25 ..	2·14	3·14	....	5·28
Rs. 25 and ,, Rs. 30 ..	2·67	1·67	....	4·34
Rs. 30 and ,, Rs. 35 ..	3·50	4·50	....	8·00
Rs. 35 and ,, Rs. 40 ..	1·00	3·00	....	4·00
Rs. 40 and ,, Rs. 45 ..	1·00	6·00	....	7·00
Rs. 45 and ,, Rs. 50 ..	....	....	....	....
Rs. 50 and over	....	....	....	....
All incomes	2·04	2·75	....	4·79

APPENDIX VII.

SCHEMES OF STANDARDIZATION OF WAGES.

1. AHMEDABAD.

ENGLISH TRANSLATION OF THE STANDARD FOR THE WEAVING RATES AS AGREED BETWEEN THE AHMEDABAD MILLOWNERS' ASSOCIATION AND THE TEXTILE LABOUR ASSOCIATION.

(This standard does not apply to automatic looms.)

(1) *Basic Rate :*

The standard to be adopted will be 23 pies for weaving ten yards on 44″ loom at 10 picks in a quarter of an inch.

(2) *Deductions to be made for lesser reed space :*

1¼ % to be deducted per inch below 44″ up to 32″. For looms from 32″ to 25″, the deduction will be made in the following manner :—

1¼% to be deducted from 44″ up to 32″ and below 32″ the rate of deduction shall be 1% per inch. For looms below 25″, no deduction to be made and on such a loom, the rate for 25″ shall be given.

(3) *Allowances for higher reed space :*

1½% increase per inch from 44″ up to 50″ reed space.

For 51″ and 52″ looms, 1½% from 44″ to 50″ and 2¼% per inch up to 52″.

For looms above 52″, the allowances will be as follows :—

1½% per inch from 44″ to 50″, and

2¼% per inch for 51″ and 52″ looms, and

2½% per inch for looms above 52″.

Note.—In order to facilitate calculations of the above deductions and allowances, a schedule of loomwise rates for 10 yards and 10 picks calculated as per clauses (2) and (3) is given below :—

Looms.	Rates in pies.	Looms.	Rates in pies.
26″	18·17	47″	24·035
28″	18·68	48″	24·38
30″	19·09	50″	25·07
32″	19·55	52″	26·105
34″	20·125	54″	27·255
36″	20·70	56″	28·405
38″	21·275	58″	29·555
40″	21·85	60″	30·705
42″	22·425	62″	31·855
44″	23·00	64″	33·005
45″	23·345	66″	34·155
46″	23·69	70″	36·455

The above-mentioned rates apply to plain cloth only. For calculating the rates for any sort working on any loom, the following method should be adopted :—

The basic rate of the particular loom given above first converted into rate for one pick one yard and then should be multiplied by the number of yards of the piece and the number of picks. To the results so arrived should be added the total of all allowances and deductions which are payable for additional specifications.

(4) *Allowances for various specifications :*

Reed Allowance—

(*a*) For counts 18·5 and below the standard reed shall be 40.

(*b*) From counts 18·51 up to 28·50 the standard reed shall be 52.

(*c*) From counts 28·51 to 38·50, the standard reed shall be 56.

(*d*) From counts 38·51 to 48·50, the standard reed shall be 64.

(*e*) From counts 48·51 to 58·50, the standard reed shall be 68.

(*f*) From counts 58·51 and above, the standard reed shall be 72.

INCREASE FOR HIGHER REEDS.

If the reeds are higher than standard reed mentioned above, increase on the following basis shall be given :—

(*a*) From 40 to 56 reeds, 1% for every 4 reeds and 1½% when the reeds exceed 56.

(*b*) From 52 to 68 reeds, 1% for every 4 reeds and 1½% when the reeds exceed 68.

(*c*) From 56 to 76 reeds, 1% for every 4 reeds and 1½% when the reeds exceed 76.

(*d*) From 64 to 88 reeds, 1% for every 4 reeds and 1½% when the reeds exceed 88.

(*e*) From 68 to 92 reeds, 1% for every 4 reeds and 1½% when the reeds exceed 92.

(*f*) From 72 to 100 reeds, 1% for every 4 reeds and 1½% when the reeds exceed 100.

Nothing is to be deducted when the reed used is below the standard.

Note.—The usual practice is to draw two ends in a dent. In order to find out the number of reeds the warp ends drawn in the manner mentioned above have to be calculated. If the ends are drawn in a different manner than the usual one, the number of warp ends in an inch will be counted as the number of reeds ; e.g. when three ends are drawn in one dent, the reeds will be calculated 1½ times the original number.

(5) *Allowances for matting, mockleno, crepe, etc.*

The stave allowances for the above types of cloth are to be given as follows :—

(*a*) For any number of staves from 1 to 6—4%.

(*b*) For any number of staves from 7 to 10—8%.

(*c*) For 11 staves and more, 1 additional per cent. per stave over and above 8%.

(6) *Allowance for artificial silk :*

(*a*) If artificial silk is used in border, an increase of 2½%.

(*b*) If artificial silk is used in body-weave, an increase of 5% shall be given.

(*c*) If artificial silk is used in weft, an increase of 5% shall be given.

(7) *Allowance for coloured yarn :*

If coloured yarn is used in warp, the following allowances shall be given :—

From 1 to 20%	2½%
Above 20 up to 40%	5%
Above 40 up to 60%	7½%
Above 60 up to 80%	10%
Above 80 up to 100%	12½%

Note.—(1) If coloured yarn is used, in border or in skirt border, no allowance for the same shall be given, since provision for that type of work is made in clause (8).

(2) To find out the percentage of coloured yarn in warp, total ends of warp in the whole beam are to be taken into account.

(8) *Allowances for Borders :*

The following allowances for the width of the borders such as Saree and Dhoti borders, Nakshi Patti, Bangalore Patti, Yuvraj Patti, Chulput, Dhamankathi, etc., shall be given :—

(*a*) Up to $\frac{5}{8}$" an increase of 2%.

(*b*) Above $\frac{5}{8}$" to $1\frac{1}{2}$", an increase of 4%.

(*c*) Above $1\frac{1}{2}$" to $2\frac{1}{2}$", an increase of 6%.

(*d*) Above $2\frac{1}{2}$" to $3\frac{1}{2}$", an increase of 10%.

(*e*) Above $3\frac{1}{2}$", an increase of $12\frac{1}{2}$%.

(*f*) For Chaddar and Voyal Patti, an increase of 2%.

To find out the width of the borders of the skirt cloth, total width of all the borders shall be divided by 2 and result shall be taken for purpose of calculation.

Allowances for stripes where coloured or doubling yarn is used (e.g. in Zibra or Doria Sarees) shall not be given under this clause as the provision for the same is made in the preceding clause.

To find out the width of the borders of the pancha and the skirt sarees, total width of all the borders shall be divided by 2 and the result shall be taken for purposes of calculation.

(9) *Allowances for Nakshies in Dhotis and Sarees :*

Up to 7 jacks	.. ..	4% increase.
From 8 to 12 jacks	.. ..	6% increase.
From 13 to 20 jacks	.. ..	8% increase.
From 21 to 30 jacks	.. ..	12% increase.
From 31 to 40 jacks	.. ..	15% increase.

Note.—The allowance for fancy border shall be given over and above the allowance for the border as provided for in the previous clause.

(10) *Allowances for headings per pair of pieces :*

(*a*)	An increase of	1%	for 10	yards.
(*b*)	,,	2%	,, 9	,,
(*c*)	,,	3%	,, 8	,,
(*d*)	,,	4%	,, 7	,,
(*e*)	,,	5%	,, 6	,,
(*f*)	,,	6%	,, 5	,,
(*g*)	,,	7%	,, 4	,,
(*h*)	,,	8%	,, 3	,,
(*i*)	,,	9%	,, 2	,,
(*k*)	,,	10%	,, 1	yard.

Note.—(1) As for allowances for chola headings, half the number of yards per chola shall be considered as the basis.

(2) As for allowance for Saree heading, the length of each Saree shall be the basis.

(11) *Allowance for shuttle changes in Sarees :*

The following increase shall be given for total shuttle changes in Sarees and Patal Sarees :—

(*a*) From 7 to 13 shuttle changes—1% increase.

(*b*) From 14 to 20 shuttle changes—2% increase.

(*c*) From every additional 5 shuttle changes above 20, an increase of 1% shall be given.

Note.—If in any cloth besides Saree the number of shuttle changes is more than 26, the allowance for the same shall be given as per (*c*) above.

(12) *Allowance for twill :*

An increase of 2% shall be given for this type of cloth.

(13) *Allowance for split cloth :*

2% increase shall be given for the cut-cloth, but if the blade is used on the beam, the increase shall be 4%. 2% more shall be allowed for each extra split.

(14) *Allowance for dobby-sushies :*

In dobby-sushi sorts stave allowance shall be given in addition to the increase for colour percentages.

(15) *Allowance for coloured weft :*

When coloured yarn is used in weft, an increase of 3% shall be given.

(16) *Allowance for Makhmal Patti :*

For Makhmal Patti borders an additional allowance of 2% shall be given over and above the allowances for the border.

(17) *Allowance for plain and fancy Dorias in the Body Weave :*

2% increase shall be given when there are plain Dorias in the Body Weave.

Note.—If coloured warp is used in the Body Weave, allowance as mentioned in clause (7) shall also be given. Additional allowance for as many staves as are used for fancy weave should be given in case of fancy Dorias.

(18) *Allowance for Satin Weave :*

An additional allowance of 3% shall be given for Satin Weave in the body of the cloth.

(19) *Allowance for different counts of warp :*

(*a*) From 28·51 to 38·50, an increase of 1½% shall be given.

(*b*) From 38·51 to 48·50, an increase of 5% shall be given.

(*c*) From 48·51 to 58·50, an increase of 7½% shall be given.

(*d*) From 58·51 and above, an increase of 12½% shall be given.

Note.—If Doubling yarn is used as warp in body weave to ascertain the count of yarn, one-half of the doubling yarn shall determine the count allowance.

THE AHMEDABAD MILLOWNERS' ASSOCIATION.

Ahmedabad, 18th May 1920.

The following rates are fixed today by Mahatma Gandhiji and Sheth Mangaldas :—

Warp piecers—Rs. 12-12-0 for 340 to 380 spindles.

Rs. 12-8-0 for less number of spindles.

Rs. 13-0-0 for spindles more than 380.

Bonus as per standard of the Century Mills.

Weft piecers—These workers will receive for weft, same additional amount on the new wages of Warp Piecers, which they used to receive. For example—If a warp piecer in a mill receives Rs. 9-8-0 and a weft piecer receives Rs. 10-0-0 and the warp piecer now receives Rs. 12-8-0, according to the new standard, the weft piecer shall now receive Rs. 13-0-0.

Doffers—Rs. 9-4-0 shall be paid for a full day, and Rs. 5-0-0 for half a day. Bonus according to the standard of the Century Mills.

Those working doubles shall receive 1½ times these wages.

These wages are fixed for a day of 10 hours. The Hapta shall continue as it is. New rates will be applied for wages payable after 12th June 1920, however, the new wages will begin from 1st June 1920.

The standard rates for other departments will be fixed and announced after 3 days.

In the case of 12 hours working day, the warp and weft piecers shall get an additional amount of Rs. 2-8-0 per Hapta, a doffer boy working for the whole day Rs. 2 per Hapta and a doffer working for haf a day Re. 1 per Hapta.

No wages are to be paid by any mill for any department on strike days. In the case of such unjust demand, it is recommended to introduce in the first group.

(Signed) GORDHANDAS I. PATEL.

THE AHMEDABAD MILLOWNERS' ASSOCIATION.

Ahmedabad, 26th September 1921.

Circular No. 171.

The workers in the Frame Department have demanded an increase in wages and for Moghwari Allowance. On inquiry and finding that wages are lower in some mills, I find it necessary to immediately give decision in the matter. I declare that particularly in the Drawing and the Roving Departments, wages are comparatively lower. I, therefore, recommend that the mills paying less than Rs. 14-8-0 including Bonus on an average in those departments should adjust the rates so as to bring the wages to that level, and give a Moghwari allowance of Rs. 1-8-0. This does not apply to those mills paying on an average of Rs. 16 including Bonus. The mills paying wages between Rs. 14 and Rs. 16 shall so adjust the wages that the average wages with Bonus amounts to Rs. 16. This shall be put into operation soon. I recommend this arrangement to be followed for wages payable on 25th September.

Toplawalas, Cartmen and Sweepers are to be paid a Moghwari allowance of Re. 1 from 1st October.

(Signed) Mangaldas Girdhardas.

25th September 1921.

2. BOMBAY.

STANDARDISED LIST OF WAGES AS FRAMED BY THE SPECIAL SUB-COMMITTEE OF THE MILLOWNERS' ASSOCIATION, BOMBAY.

TIME WORKERS.

		Standard basic wages including Dear Food Allowance. (26 days per month of 9 hours each).			
				Rs.	a. p.
Occupations common to various Departments:					
1.	Departmental Oilers			24	0 0
2.	Shafting Oilers			26	0 0
3.	Oilers and Banders wherever employed ..			26	4 0
4.	Mochies			24	8 0
5.	Tare Pickers				
	Bardan Pickers		Men	19	0 0
	Bobbin Cleaners		Women	16	0 0
	Waste Pickers				
6.	Sweepers		Men	19	0 0
			Women	16	0 0
7.	Hoistmen			21	0 0

	Standard basic wages including Dear Food Allowance. (26 days per month of 9 hours each.)
	Rs. a. p.
Mixing Room :	
1. Navganies or Bale Stackers	24 8 0
2. Tare Pickers	Men 19 0 0
3. Bale Breaker Attendants	23 8 0
4. Mixing Spreaders	21 0 0
Mixing Breakers	
Coolies	
Blow Room :	
1. Hopper Feeder	21 0 0
Lattice Feeder	
Hand Feeder	
2. Exhaust Opener	22 0 0
Exhaust and Lap Machine Men	
Crichton Opener	
3. Breaker Scutcher Men ..	22 0 0
Inter Scutcher Men ..	
Finisher Scutcher Men ..	
4. 2 Breaker Scutcher ..	29 4 0
2 Inter Scutcher	
2 Finisher Scutcher ..	20 0 0
5. Thread Extractor	21 0 0
6. Willowmen	
7. Dust Carriers	20 0 0
Dust Coolies	
Dropping Carriers ..	
8. Hard Waste Machine Men ..	21 0 0
Cop Breaker	
Roving End Breaker ..	
Card Room :	
1. Lap Carriers	21 0 0
2. Fly Gatherers	20 0 0
3. Can Boys and/or Card Tenters	20 0 0
4. Grinders and/or Strippers ..	23 0 0
5. Flat Grinding Machine Men .. (Not less than two machines).	24 8 0
Frame Department :	
1. Doffer Jobber	37 0 0
2. Creelers or Doffer Boys ..	17 0 0
3. Bobbin Carriers and Bobbin Coolies	20 0 0
4. Frame Tenters	(See separate list.)
Ring Spinning Department :	40 0 0
1. Doffer Jobbers	(See separate list.)
2. Sidérs	

	Standard basic wages including Dear Food Allowance. (26 days per month of 9 hours each.) Rs. a. p.
***Ring Spinning Department*—contd.**	
3. Tarwallas .. .. / Followers .. .. / Gaiters	21 0 0
4. Doffer Boys	17 0 0
5. Bobbin Carriers .. .. / Bobbin Coolies .. .. / Doff Carriers .. .. / Doff Coolies .. .. / Scale Coolies	20 0 0
Doubling Department:	
1. Doffer Jobber	40 0 0
2. Siders	(See separate list.)
3. Doffer Boys (if required)	17 0 0
4. Doff and Bobbin Carriers .. .. .. / Doff and Bobbin Coolies	20 0 0
Mule Spinning Department:	
1. Creelers	17 8 0
2. Bobbin Carriers .. .. / Doff Carriers .. .. / Coolies	20 0 0
Reeling Department:	
1. Coolies	20 0 0
2. Reelers	(See separate list.)
Yarn Bundling Department:	
1. Weighers	25 8 0
2. Knotters	28 0 0
3. Pressers or Bundlers	30 0 0
4. Wrappers .. .. / Labellers or Bundle Boys	19 8 0
Carding, Spinning (Miscellaneous) Line Levelling Departments:	
1. Departmental Carpenters	36 0 0
2. Rope Splicers	27 0 0
3. Ticket Boys .. .. / Number Markers .. .. / Wrapping Boys	20 0 0
4. Fitter Coolies	20 0 0
5. Head Roller Coverers	30 0 0
6. Assistant Roller Coverers	24 8 0
7. Tubular and Cone Banding Machine Men	22 0 0
(If on piece work, rate to be adjusted to give at least this wage on full work.)	

	Standard basic wages including Dear Food Allowance, (26 days per month of 9 hours each.) Rs. a. p.
Winding and Warping Departments:	
1. Number Markers	20 0 0
2. Coolies .. .. / Bobbin Carriers	20 0 0
3. Beam Carriers	26 0 0
4. Creelers or Creel Boys	17 0 0
5. Winding and Warping Rates	(See separate list.)
Sizing Department:	
1. Beam Carriers	26 0 0
2. Size Mixers	23 0 0
3. Front Sizers	70 0 0
4. Back Sizers	35 0 0
Drawing-in or Beaming Department:	
1. Beam Carriers	26 0 0
2. Heald Cleaners and Repairers	25 0 0
3. Reed Repairers	25 0 0
4. Drawing-in Rates	(See separate list.)
Weaving Miscellaneous and Weaving Line Levelling Departments:	
1. Beam Carriers	26 0 0
2. Weft Muccadam	27 0 0
3. Weft Coolies or Weft Carriers..	20 0 0
4. Loom Cleaners and Oilers	20 0 0
5. Line Levelling Coolies	20 0 0
Warehouse, Calendering, Finishing and Folding Departments:	
1. Head Cutlooker	40 0 0
2. Cutlookers	33 0 0
3. Stitchers and Sewers	Men 20 0 0 / Women 17 0 0
4. Damping Men or Coolies	21 0 0
5. Front Calendermen	25 8 0
6. Back Calendermen	23 0 0
7. Finishers	23 0 0
8. Front Machine Folder	23 8 0
9. Back Machine Folder	21 4 0
10. Hand or Table Folders	23 0 0
11. Head Stampers	32 0 0
12. Assistant Stampers	23 0 0
13. Ticket Appliers and Bundlers	20 8 0
14. Bundle Carriers or Cloth Coolies	20 8 0

	Standard basic wages including Dear Food Allowance. (26 days per month of 9 hours each.) Rs. a. p.
Warehouse, Calendering, Finishing and Folding Departments —contd.	
15. Piece Checkers, Sorters and Measurers	26 0 0
16. Scale Boys	21 4 0
17. Number Markers and Tally Boys	21 4 0
Cloth and Yarn Bailing Department :	
1. Bale Marker	24 0 0
2. Hoop Men or Hoop Cutters	20 0 0
3. Navganies .. .. / Bale Stackers, and .. .. .. / Bale Coolies	24 0 0
4. Coolies	20 0 0
Waste Cleaning and Sorting Department :	
1. Coolies	20 0 0

RING SIDERS.

Twist and Weft frames.

	Standard basic wages including Dear Food Allowance. (26 days per month of 9 hours each.) Rs. a. p.
Siders attending :—	
Up to and including 200 spindles	22 0 0
201 to 225 spindles	23 8 0
226 to 250 ,, ...	24 8 0
251 to 275 ,, ...	25 8 0
276 to 300 ,, ...	26 8 0
301 to 325 ,, ...	27 8 0
326 to 350 ,, ...	28 8 0
351 to 400 ,, ...	29 8 0
401 to 450 ,, ...	31 8 0
451 to 500 ,, ...	33 8 0
501 spindles and over	35 8 0

PIECE WORKERS.

Frame Tenters.

	Standard basic wages including Dear Food Allowance. (26 days per month of 9 hours each.) Rs. a. p.
Drawing:	
Single	23 8 0
2 Men per 3 Heads	28 4 0
Slubbing:	
72 to 76	26 8 0
78 to 82	27 0 0
84 to 88	27 8 0
90 to 94	28 0 0
96 and above	28 8 0
Intermediate:	
100 to 108	23 10 0
110 to 118	24 4 0
120 to 128	24 14 0
130 to 138	25 8 0
140 and above	26 2 0
Roving:	
128 to 142	23 0 0
144 to 156	23 12 0
158 to 170	24 8 0
172 to 184	25 4 0
186 and above	26 0 0

plus 33% for two frames.

The piece work rates per hank to be worked out so as to give the wages specified in a 26 day month to an efficient worker working full time.

DRAWING-IN.

The following consolidated rates are recommended per 1,000 ends :—

Grey and 100% Colour Plains and Twills and Drills woven on 4 shafts or less	28 pies per 1,000 ends.
Grey and 100% Colour Dosuti (double drawn)	20 " "
Plain Striped Susis	31 " "
Dhoties up to and including $\frac{5}{8}$" plain border	28 " "
Dobby bordered Dhoties up to and including $\frac{5}{8}$"	31 " "
Saries with plain borders over $\frac{5}{8}$"	31 " "
Dobby bordered Saries up to $\frac{5}{8}$" border	32 " "
Saries—full dobby borders over $\frac{5}{8}$"	39 " "

Dobby cloths including Dobby striped cloths and including Drills on more than 4 shafts, but excluding Dhoties and Saries :—

5 and 6 shafts	..	..	..	38 pies per 1,000 ends.
7 to 12 ,,	..	..	..	49 ,, ,,
13 to 16 ,,	..	..	..	60 ,, ,,
17 to 20 ,,	..	..	..	76 ,, ,,

Double Beam Work.—Above rates *plus* 4 pies per 1,000 ends.

Wire Healds.—Above rates *plus* 10 per cent.

Double Drawn Beams.—Three-fourths of the above rates.

Note.—2 and 1 Drill drawn in on 6 shafts would be paid at 6 shaft Dobby rates.

Sorts drawn in on 80 actual reeds and finer (2 onds per dent) : add 4 pies to above rates.

CONSOLIDATED RATE LIST FOR REELING—HAND REELS—40 SPINDLES PER REEL.

7 Leas Straight Reeling—(2 Reelers per Reel).

Counts Reeled.	Doffs expected per day.					Rate.			Equivalent to	
2s	.. 24	doffs of	20	threads.	67	pies per	6	doffs.	120	standard hanks.
4s	.. 20	,,	40	,, ..	67	,,	5	,, ..	200	,,
6/6½s	.. 24	,,	40	,, ..	67	,,	6	,, ..	240	,,
8/8½s	.. 28	,,	40	,, ..	67	,,	7	,, ..	280	,,
10/10½s	.. 34	,,	40	,, ..	67	,,	8½	,, ..	340	,,
12/12½s	.. 36	,,	40	,, ..	67	,,	9	,, ..	360	,,
14/14½s	.. 40	,,	40	,, ..	67	,,	10	,, ..	400	,,
16s	.. 42	,,	40	,, ..	67	,,	10½	,, ..	420	,,
18s	.. 44	,,	40	,, ..	67	,,	11	,, ..	440	,,
20s-26s	.. 48	,,	40	,, ..	67	,,	12	,, ..	480	,,
28s-38s	.. 52	,,	40	,, ..	67	,,	13	,, ..	520	,,

If conditions are such that one reeler per reel could be worked, the basic rate would be 50 pies for the number of doffs specified against each count in the last column, e.g., for one reeler per reel on 18s, the rate would be 50 pies per 10 doffs or 400 standard hanks. For 40s and over, one reeler per reel should be compulsory.

Expected doffs per day = 44.

Rate for 40s and over would thus be 50 pies per 11 doffs, and would give a wage of Rs. 27-8-0 per reeler.

Single cross reeling, above rates less 5%.

Double cross reeling, above rates less 10%.

Two-folds yarns up to and including 30s, pay rate for resultant counts.

Two-folds yarns from 31s onwards, pay rate for resultant counts less 5%.

Note.—The above list is for 5″ and 6″ lift twist bobbin and up to and including 7″ mule cops. When reeling from weft bobbins, the list rate *plus* 10% to be paid.

WEAVING STANDARDISATION SCHEME.

The Basis—Plain Cloth—Grey.

Appropriate Loom Width.	Rate per 10 yards of 40 picks per inch.
Inches.	Pies.
28	18·88
30	19·06

Appropriate Loom Width. Inches.	Rate per 10 yards of 40 picks per inch. Pies.
32	19·33
34	19·56
36	19·80
38	20·31
40	20·92
42	21·43
44	22·08
46	22·62
48	23·56
50	24·40
52	25·30
54	26·21
56	27·18
58	28·03
60	29·66
62	30·58
64	31·54
66	32·55
68	33·58
70	35·84
72	36·89
74	38·22
80	43·34
90	51·18
100	60·91

Note.—The term "Plain Cloth—Grey" for the purposes of this list includes cloth containing up to 16 ends of colour in the body of the cloth, and cloth containing no colour except in the selvedges. The term "Plain Grey cloth" also includes cloths of twill weave woven on Tappet Loom on not more than 4 shafts, but excludes Drills.

Payment for any cloth under 56" wide will be on appropriate loom width which will be taken as cloth width in grey state *plus* 10 per cent. Fractions of an inch to be taken as the next higher inch.

For cloth 56" wide and over, the rate for the loom in which it is actually woven to be paid.

WEFT ALLOWANCES.

Counts.	Up to 5½" Lift			6" Lift.			Over 6" Lift and Universal Pirns.		
	Below 42" Loom. %	42" and below 52" %	52" and over. %	Below 42" Loom. %	42" and below 52". %	52" and over. %	Below 42" Loom. %	42" and below 52". %	52" and over. %
3s and below	..	..	..	..	..	..	30	35	40
4s	..	..	..	32	37	42	25	30	34
5s	..	..	..	26	31	36	20	24	29
6s	33	38	43	22	27	32	16	20	24
7s	28	33	38	18	23	28	12	16	20
8s	23	28	33	14	19	24	9	13	17
9s	18	23	28	11	16	21	6	10	14
10s	13	18	23	8	13	18	4	8	12
11s	9	14	19	5	10	15	3	7	10
12s	6	11	16	3	8	13	2	6	9
13s	4	8	12	2	5	9	..	3	6
14s	3	7	9	..	2	6	..	..	4
15s	2	5	7	..	..	3	..	..	2

Counts.	Up to 5½″ Lift.			6″ Lift.			Over 6″ Lift and Universal Pirns.		
	Below 42″ Loom. %	42″ and below 52″. %	52″ and over. %	Below 42″ Loom. %	42″ and below 52″. %	52″ and over. %	Below 42″ Loom. %	42″ and below 52″. %	52″ and over. %
16s ..	..	3	5	..	..	..	..	..	..
17s ..	..	..	3	..	..	..	..	..	..
18s ..	..	..	..	..	..	..	..	..	..
19s ..	..	..	..	..	..	..	..	..	..
20s and over ..	..	..	..	..	..	..	..	..	..

Note.—Dosuti Weft—i.e., rewound 2 ends up—count to be calculated as resultant count, e.g., if 16s Dosuti Weft on Universal Pirns was being used, allowance to be as for 8s in appropriate universal column.

Folded Weft.—Count to be treated as "resultant count *plus* 2 counts, e.g., 2/16s would have the allowance applicable to 10s single yarn; 3/30s would have the allowance applicable to 12s single yarn. If two different counts of weft are used in a check loom, the allowance applicable would be the allowance applicable to the 'weighted average' of the two columns used, e.g., if the checking was 8 picks of 20s and 24 picks of 8s, the allowance payable would be the allowance appropriate to 11s single yarn."

8 picks of 20s = 160
24 ,, ,, = 192

352 divided by 32
Average count—11s.

REED ALLOWANCES.

Counts of Warp.	Standard.	
	Ends per inch in reed permissible without allowance in 2 per dent sorts. (1)	Ends per inch permissible without allowance in Drills, Sateens and Ducks woven 3 or more ends per dent. (2)
Up to and including 8s ..	36	54
Above 8s and up to and including 12s ..	40	60
,, 12s ,, 14s ..	44	66
,, 14s ,, 18s ..	48	72
,, 18s ,, 22s ..	52	78
,, 22s ,, 26s ..	56	84
,, 26s ,, 30s ..	60	90
,, 30s ,, 40s ..	68	102
,, 40s ,, 50s ..	72	108
Above 50s	80	120

In the case of cloths woven two ends per dent, an allowance of 1 per cent. to be given for every 2 ends in excess of the figures given in column (1).

In the case of Drills woven 3 ends in a dent, an allowance of 1 per cent. to be given for every 3 ends in excess of the figures given in column (2).

If a Drill is woven 4 or 5 ends in a dent, an allowance of 1 per cent. to be given for every 4 or 5 ends in excess of the figures given in column (2).

When plain cloth is woven 4 ends in a dent, the permissible ends per inch in reed would be as in column (1), i.e., if a cloth is woven in a 36″ reed, 4 in a dent, the allowance would be calculated as if there were 72 reed, 2 in a dent.

HIGH PICK ALLOWANCES.

For Plain and Stave work cloths, allowance to be given as under :

——	35s weft and under	Above 35s weft.	Allowance.
Picks per inch ..	61 to 64	73 to 76	Add 1%
	65 to 68	77 to 80	2%
	69 to 72	81 to 84	3%
	73 to 76	85 to 88	4%
	77 to 80	89 to 92	5%
	81 to 84	93 to 96	6%
	85 to 88	97 to 100	7%
	89 to 92	101 to 104	8%
	93 to 96	105 to 108	9%
	97 to 100	109 to 112	10%
	101 to 104	113 to 116	11%
	105 to 108	117 to 120	12%
	109 to 112	121 to 124	13%
	113 to 116	125 to 128	14%
	117 to 120	129 to 132	15%

Note.—In the case of Twills, Drills and weft faced Sateens, half the above allowances to be given.

FINE WARP ALLOWANCE.

41s to 50s	..	..	4%
51s to 60s	..	..	6%
61s to 80s	..	..	8%
Over 80s	..	..	10%

COLOUR AND ARTIFICIAL SILK WARP ALLOWANCES.

			Colour Allowance.
Up to and including 25%		..	5%
26% to 50%	..	..	10%
51% to 100%	..	..	15%

			Artificial silk allowance (single).
Up to and including 15%		..	5%
16% to 25%	..	..	10%
26% to 50%	..	..	15%
51% to 75%	..	..	25%
76% to 100%	..	..	35%

Where single colour and single artificial silk are both used in warp, the percentage of colour and artificial silk to be taken out separately and the appropriate allowance for each to be given.

Doubled coloured yarn, half the single colour allowance to be given.

When two-fold artificial silk is used, or when artificial silk is doubled with cotton yarn, the allowance to be given as per colour and not as per artificial silk scale.

N.B.—(1) No allowance to be given for less than 17 ends of colour or artificial silk in the warp or when colour is used only in selvedges.

(2) The above allowances are not payable for colour or artificial silk in the borders or patchas of Dhoties and Saries.

Artificial Silk Weft Allowances.

Artificial silk weft	5%

Note.—This allowance is only to be given in single shuttle sorts. It is not to be given in drop box sorts for which separate allowances are provided.

Drop Box Allowances.

	Shuttles.		
	2	3	4
Up to 40″	30%	35%	40%
41″ to 50″	25%	30%	35%
51″ to 60″	20%	25%	30%
61″ to 72″	15%	20%	25%
73″ and over	10%	15%	20%

When one shuttle sorts are woven in drop box looms, the allowances in the left hand column less 10% to be given.

E.g.—For a plain cloth woven in a 40″ drop box loom, the allowance would be 20%.

Dobby shaft work in ground.

1 to 6 staves	4%
For each additional stave, add	1%

The above allowances are not to be given for patcha stripes or skirt bordered dhoties which are provided for separately.

Cumber Board Allowances in Dhoties and Saries of all sorts including Patcha Stripes and Skirt Borders.

From 1 to 8 Jacks	4%
,, 9 to 16 ,, ...	6%
,, 17 to 24 ,, ...	9%
,, 25 to 32 ,, ...	12%
,, 33 to 40 ,, ...	15%

Jacquard Borders.

100 hook Jacquard	15%
200 ,, ,, ...	20%
400 ,, ,, ...	30%

In Dhoty and Saree sorts, which have shaft work in the ground and Dobby cumber-board work in the border, the total shaft allowance would be the sum of the appropriate shaft and cumber-board allowances.

For example, a saree with a dobby pattern on 10 shafts in the ground, and a fancy border requiring 10 Jacks:

The total allowance would be as under:—

10 shafts in ground	8% allowance
10 jacks in border	6% allowance
Total ..	14% allowance

In Saree cloths in which there is a Jacquard ground and a Jacquard border, the allowance to be paid will be according to the allowances for Jacquard all-over styles. No separate allowance would be payable for Jacquard border in such cloths.

BORDER ALLOWANCE FOR DHOTIES AND SARIES.

		Dhoties with patcha stripes.
Up to $\frac{5}{8}$" (each side)	2%	2½%
Over $\frac{5}{8}$" to 1¼" ,,	4%	5%
Over 1¼" to 1¾" ,,	6%	7½%
Over 1¾" to 2½" ,,	8%	10%
Over 2½" to 3½" ,,	12%	15%
Over 3½" ,,	15%	17%

Note.—The above allowances are additional to any allowances for cumber-board work.

HEADING ALLOWANCES (PER PAIR) FOR SHORT LENGTH SORTS.

(Dhoties, Saries, Chadars.)

1% for 10 yards.
2% for 9 yards.
3% for 8 yards.
4½% for 7 yards.
6% for 6 yards.
7½% for 5 yards.
9% for 4 yards.
11% for 3 yards.
13% for 2 yards.
15% for 1 yard.

For Cholas with 4 headings per pair :

2% for Chola heading in addition to above.

E. g. Chola 8 yards long :

2% allowance for Chola heading, *plus*
3% as per list .. .. Total 5%.

ADDITIONAL SHUTTLE CHANGE ALLOWANCES FOR COMPLICATED HEADINGS IN SARIES AND DHOTIES.

Up to 8 shuttle changes per heading (average)	Nil.
9 to 15 ,, ,, ,, ,, ,, ...	2%
16 to 20 ,, ,, ,, ,, ,, ...	4%

Over 20 shuttle changes, add 1% for every 5 changes.

The allowances to be given by adding together the shuttle changes in each heading in the saree and dividing by 2.

SPLITS.

Add 3% for first cut split.
Add 1½% for each additional cut split.

DRILLS.

For Drills, the following allowances to be granted :—

2% for Drill.
4% if pick finding is insisted upon in cloths woven in 84 reed and below.

For Drills woven finer than 84 reed :

4% for Drill.

8% if pick finding is insisted upon.

Crammed Stripes.

No allowance to be paid for yarn extra dented in the reed unless the average ends per inch in the cloth is high enough to come within the fine reed allowance, which will then apply.

Double Drawn Warps.

Double-drawn warps (dosuti) to be treated as an increase in reed of 12½%, e.g., 16s warp Dosuti in 48 reed would be treated as 54 reed and have 3 per cent. allowance added as per list.

Mixed Denting.

Average reed to be taken for allowance.

Example.—Total number of ends, say, 2,200 divided by reed space, say 28″ = 78 reed with 24s warp would have an allowance of 11% added.

Two Beam Sorts.

Allowance of 2½%.

Jacquard—All-Over Styles.

List to be settled later.

Time Workers.

All the more important occupations in the Industry connected with the actual manufacture of cloth and yarn except those of a supervisory character have been covered by the above list.

Winding.

Owing to varying conditions both in regard to speeds and allocations of spindle per winder, length of yarn on bobbins etc. from which winding is being done, it is not possible at present to lay down standard rates for the industry as a whole, but mills will be permitted to fix their piece work rates to suit their particular productions per winder on various classes of work, such rates to be fixed so as to give the under-mentioned monthly earnings for 26 days of full work (9 hours per day) to efficient winders :

	Rs.
Grey winding	18
Grey winding on high speed machines	19
Colour and artificial silk winding	20

The above basic earnings will apply only in the case of unrationalised mills.

Warping.

Mills will be permitted to fix their own piece work rates to give a wage to a warper of Rs. 40 per month of 26 working days of nine hours per day on single machine. In mills where the two machines per man system is worked, the rates to be 70% of the single machine rates. For high speed warping, the rates to be fixed should give a wage of Rs. 55 for a full month of 26 working days of nine hours per day to an efficient warper.

Sizing.

Standard piece work rates have not been fixed, in view of the fact that many mills prefer to pay their sizers on a time work basis.

WEAVING.

The appropriate rates to be paid when three or four looms per weaver are worked will be as under:

Three-looms system	.. ..	$\frac{4}{6}$ths of the two-looms rate.
Four-looms system.	.. ..	$\frac{3}{4}$ths of the two-looms rate.

3. SHOLAPUR.

STANDARDISED LIST OF WAGES AS FRAMED BY THE MANAGERS OF THE MILLS IN SHOLAPUR.

TIME WORKERS.

		Standard basic wages including Dear Food Allowance.
		Rs. a. p.
Occupations common to various Departments—		
Departmental oilers	Men	17 0 0
Shafting oilers	Men	19 0 0
Mochies	Men	19 0 0
Bobbin Cleaners and Collectors ..	Men	13 8 0
Hoistmen	Men	16 0 0
Mixing Room—		
Navganies or Bale stackers	Men	17 0 0
Mixing coolies	Men	17 0 0
Blow Room—		
Hopper feeders	Men	15 0 0
Exhaust and Crichton men	Men	15 0 0
Scutcher Men (one machine)	Men	16 0 0
Scutcher Men (two machines) .. (The above includes Inter Finisher, etc.)	Men	22 0 0
Willow Machine	Men	16 0 0
Waste Breaker	Men	16 0 0
Bondas and Thread Extractors ..	Men	15 0 0
Dust Carrier	Men	15 0 0
Card Room—		
Lap Carrier	Men	16 0 0
Fly Gatherers	Men	15 0 0
Can Boy or Tenter	Men	15 0 0
Grinders and/or Strippers	Men	17 0 0
Flat Grinder	Men	18 0 0
Frame Department—		
Doffer or Creeler	Men	13 8 0
Bobbin Carrier	Men	15 0 0
Frame Tenter	Men	..(*See* separate list.)

	Standard basic wages including Dear Food Allowance.
	Rs. a. p.
Ring Department—	
Tarwallas	15 0 0
Doffers	13 8 0
Bobbin Coolies	15 0 0
Bobbin Cleaners and Strippers	13 8 0
Empty Bobbin Collectors	13 8 0
Piecers	17 0 0
(*See* separate list.)	Basis 225 spindles.
Winding fixed—	
Weighing coolies	15 0 0
Col. Yarn coolies	15 0 0
Bobbin Carriers	15 0 0
Empty Bobbin Collectors	13 8 0
Warping Department—	
Creelers	15 0 0
Warpers (*see* piece work rates).	
Sizing Department—	
Back Sizer	24 0 0
Beam coolies	20 0 0
Sizers (Minimum)	40 0 0
Size Mixing coolies	16 0 0
Drawing-In Department—	
Reed Repairers	19 0 0
Heald Repairers	18 0 0
Drawer-in, Reacher } (*See* piece work rates.)	
Weaving fixed—	
Beam coolies	20 0 0
Weaving and Weft coolies	15 0 0
Bobbin Collectors	13 8 0
Mochies	19 0 0
Line Level Coolies (when employed)	15 0 0
Calender and Folding Department—	
Front Calender Men	17 0 0
Back Calender Men	16 0 0
Finishing Machine Attendant	16 8 0
Front Machine Folder	16 8 0
Back Machine Folder	15 8 0
Hand Folder Men	16 0 0
Bundler (Men)	15 0 0

	Standard basic wages including Dear Food Allowance.
	Rs. a. p.
Calender and Folding Department—contd.	
Cloth Carrier	15 0 0
Head Stampers (when employed)	19 0 0
Assistant Stampers (,,)	16 8 0
Cloth Weighing Coolies	15 0 0
Hand Stamper	16 8 0
Yarn and Cloth Bailing Department—	
Coolies	17 0 0
Cloth Godown Department—	
Coolies	17 0 0
Dyeing Department—	17 0 0
Coolies	
Engine Department—	21 0 0
Engine Oilmen	19 0 0
Shafting Oilmen	18 0 0
Rope Splicers	17 0 0
Mechanic Coolies	17 0 0
Humidity Coolies	17 0 0
Moulding, Painting Coolies	17 0 0
General Coolies and Coal Coolies	
General Department—	17 0 0
Coolies	
Sanitary Department—	17 0 0
Bhangis	
FRAME TENTERS.	Rs. a. p.
Drawing—	18 0 0
Single	24 0 0
2 men per 3 heads	
Slubbing—	19 8 0
72 to 76 spindles	20 0 0
78 to 82 ,, ...	20 8 0
84 to 88 ,, ...	21 0 0
90 to 94 ,, ...	21 8 0
96 and above	
Intermediate—	18 8 0
100 to 108 spindles	19 0 0
110 to 118 ,, ...	19 8 0
120 to 128 ,, ...	20 0 0
130 to 138 ,, ...	20 8 0
140 and above	

	Standard basic wages including Dear Food Allowance.
Roving—	Rs. a. p.
128 to 142 spindles	18 8 0
144 to 156 ,, ...	19 0 0
158 to 170 ,, ...	19 8 0
172 to 184 ,, ...	20 0 0
186 and above	20 8 0

The above rates include dear food allowance.

Ring Siders.

Siders attending—	Rs. a. p.
Up to and including 225 spindles	17 0 0
226 to 250 spindles	18 0 0
251 to 275 ,, ...	19 0 0
276 to 300 ,, ...	20 0 0
301 to 325 ,, ...	21 0 0
326 to 350 ,, ...	22 0 0
351 to 375 ,, ...	23 0 0
376 to 400 ,, ...	24 0 0
401 to 425 ,, ...	25 0 0
426 to 450 ,, ...	26 0 0
451 to 475 ,, ...	27 0 0
476 to 500 ,, ...	28 0 0
Over 500 ,, ...	29 0 0

The above wages include dear food allowance.

Female Time Workers.

	Rs. a. p.
Sweepers in all mill departments	8 0 0
Compound sweepers	8 0 0
Waste Pickers	8 0 0
Bobbin Cleaners	8 0 0
Fixed Winders (when employed)	10 0 0
Fixed Reelers (when employed)	10 0 0
Folding Department—	
Pasters	10 0 0
Bundlers	10 0 0
Knotters	10 0 0
Hand folders	12 0 0

GREY WINDING.

Counts.	Recommended rate per 100 lbs.	Bombay Mill-owners Circular Expected Prodn. per Winder per day.	Daily wages on the Prodn.
	As. p.	Lbs.	As. p.
1s to 6s	9 0	120	10 8
8s to 10s	9 6	115	10 9
12s	10 0	111	11 1
14s	10 0	107	10 7
16s	10 0	103	10 3
18s	11 0	94	10 8
20s	11 0	95	10 4
22s	12 0	92	11 0
24s	12 0	89	10 7
26s	12 0	86	10 3
28s	13 0	83	10 8
30s	13 0	80	10 4
32s	14 0	78	10 9
34s	14 0	76	10 6
36s	14 6	74	10 7
38s	14 6	72	10 4

Rate for M and B High speed winding to be 12½% less than the above rates.

COLOUR WINDING.

From Hanks to Bobbins on Drum Winders.

From Hanks to Bobbins on Vertical Spindle Winding.

Counts.	Rate per 100 lbs. Rs. a. p.
6s and below	0 14 0
8s	1 0 0
10s	1 2 0
12s	1 4 0
14s	1 6 0
16s	1 8 0
18s	1 11 0
20s	1 14 0
22s	2 1 0
24s	2 4 0
26s	2 7 0
28s	2 10 0
30s	2 13 0
32s	3 0 0
34s	3 3 0
36s	3 6 0
38s	3 9 0
40s	3 12 0
42s	3 15 0
44s	4 2 0
50s	4 11 0
60s	5 10 0

CONSOLIDATED RATE LIST FOR REELING HAND REELS—40 SPINDLES PER REEL

2 Reelers per Reel.

Counts Reeled.	Rate pies.	Per doffs of 40 hanks.	Standard Hanks.
4s	54 pies	5 doffs	200
6/6½s	54 ,,	6	240
8/8½s	54 ,,	7	280
10/10½s	54 ,,	8½	340
12/12½s	54 ,,	9	360
14/14½s	54 ,,	10	400
16s	54 ,,	10½	420
18s	54 ,,	11	440
20s–26s	54 ,,	12	480
28s–38s	54 ,,	13	520
Single Cross Reeling ..	....	Above rates less 5%	....
Double do.	.....	Do. 10%	....

The above list is for 5″ and 6″ Lift Twist Bobbins.

For Weft Bobbins 10% extra should be paid.

Rates for one reeler working one reel.—The rate to be 48 pies instead of 54 pies for the number of doffs (or standard hanks) specified above.

DRAWING-IN PIECE WORK.

Drawer :

Grey ends .. .. Annas 2 per 1,000 ends.

Colour ends .. .. Annas 2 pies 6 per 1,000 ends.

Reacher :

Grey ends .. .. Anna 1 per 1,000 ends.

Colour ends .. .. Anna 1 pies 3 per 1,000 ends.

BUNDLING DEPARTMENT.

	Rs.	a.	p.
Presser :			
Rate per 1,000 Bundles 10,000 lbs.	4	4	0
Knotter :			
Rate per 1,000 Bundles 10,000 lbs.	3	12	0
Weighers :			
Rate per 10,000 lbs.	2	2	0
Wrappers :			
Rate per 10,000 lbs.	1	14	0

WEAVING STANDARDISATION SCHEME FOR THE MILLS OF SHOLAPUR.

We accept the scheme put forward by the Bombay Millowners' Association, but the rates per 10 yards to be 10 per cent. less than the Rates in this Scheme.

e.g.

Appropriate loom width : 30

Rate per 10 yards of 40 picks per inch : Pies 17·16

etc.

These rates on Sholapur average working efficiencies give a wage of Rs. 31-8-0 to a two-loom weaver in a 26-day working month.

Pirn Winding.

From Warpers' Bobbins and Cheeses to Pirns on Universal No. 90 Machine.

Counts.	Rate per 100 lbs. Pies.
8s and below	125
10s	133
12s	143
14s	153
16s	161
18s	169
20s	179
22s	188
24s	197
26s	204
28s	224
30s	238
32s	248

The basis for the above rates is 20 spindles per winder on 20s count.
Should a winder be given only 10 spindles, the above rates plus 25% will be given.
For working 15 spindles the above rates plus 12½%.

Warpers' Rates on Slow Speed Machines.

As recommended before :

	As.	p.
4s to 6s	2	6
7s to 10s	3	9
11s to 14s	4	3
15s to 18s	4	9
19s to 22s	5	6
24s to 27s	6	0
28s to 31s	7	0
32s to 37s	8	3
38s to 44s	10	3
45s to 50s	12	3
51s to 61s	14	3
70s	15	3

For whole coloured beams the above rates plus 10%.
For Pattern Beams individual mills to fix their own rates.

Addenda to Time Workers' Wages.

Engine Department :	Rs.
(1) Fireman working on Boilers with automatic stokers ..	19
(2) Fireman working on Lancashire Boilers	22

Guide to Earnings on Piece Work Rates given.

(1) *Grey Winders :*

On production given by the Bombay Millowners' Association.
20s 95 lbs. per day. Monthly wage Rs. 17.

(2) *Pirn Winders No. 90 :—*

Cheeses to Pirns.

(*a*) On production of 70 lbs. for 20 spindles on 20s. Rs. 17 per month.

(*b*) On production of 35 lbs. for 10 spindles Rs. 10-8-0 per month.

(3) *Colour Winders :—*

Basis 12 spindles 30 lbs. Production 20s. count.

Earnings Rs. 14-8-0 per month.

(4) *Reeling :—*

On production given by the Bombay Millowners' Association, i.e., 20s. count 1920 hanks per reel, Earnings Rs. 14-8-0 per month.

4. KHANDESH.

Khandesh, Berar and Burhanpur Millowners' Association

STANDARDISED LIST OF WAGES FOR MILLS IN EAST AND WEST KHANDESH.

Department.	Standard basic wages including Dear Food Allowance.	Remarks.
	Rs. a. p.	
Blow Room :—		
Mixing Coolies	15 0 0	
Bale Breaker	14 0 0	
Opener attendant	15 0 0	
Opener Assistant	14 0 0	
Scutchers	16 8 0	
Willow	14 0 0	
Mixing Cutter	16 8 0	
Roving Waste Opener ..	13 0 0	
Sweepers	12 0 0	
Oilers	17 8 0	
Card :—		
Card attendant	13 8 0	
Strippers	16 0 0	
Flat Grinders	17 0 0	
Lap Carriers	15 0 0	
Oilers	17 8 0	
Fly collectors	14 0 0	
Sweepers	12 0 0	
Draw, Slub, Inter, Roving :—		
Draw Tenters } *See* separate	18 8 0	
Slub ,, } list.	17 8 0	
Inter ,, ..	18 8 0	
Roving ,,	18 0 0	
Doffers	9 0 0	
Sweepers	11 0 0	
Oilers	17 8 0	
Siders—Warp	16 0 0	On the basis of up to and including 225 with Re. 1 more for every additional 25 spindles.
Siders—Weft	16 8 0	

Department.	Standard basic wages including Dear Food Allowance.	Remarks.
	Rs. a. p.	
Draw, Slub, Inter, Roving—contd.		
Tarwallas	13 8 0	
Doffers	9 8 0	
Kantawallas	16 8 0	
Oilers	17 8 0	
Bobbin carrier	13 0 0	
Doff carrier	11 0 0	
Roller Coverers	20 0 0	
Assistant Coverers	17 8 0	Rs. 2 per 1,000 spindles.
Band Fasteners	17 8 0	
Tubular Bandmen	13 0 0	
Wrapping Boys	16 0 0	
Bobbin Strippers	11 8 0	
Sweepers	12 0 0	
Bond Waste Collectors ..	12 0 0	
Mochi	18 0 0	Re. 1 per 1,000 spindles and not less than Rs. 18.
Carpenter	32 0 0	
Doubling Tenters—Warp ..	16 0 0	
Doubling Tenters—Weft ..	16 8 0	
Weft Carriers	11 0 0	
Reeling :—		
Reelers (*see* separate list) ..	12 0 0	Reelers working 20 spindles, Rs. 12 per reeler.
Sweepers	12 0 0	
Winding Department :—		
Oilmen	17 8 0	
Assistant Oilmen	12 8 0	
Bobbin Coolies	13 0 0	
Sweepers	12 0 0	
Bobbin strippers	11 8 0	
Grey Winders	12 0 0	Rs. 12, 20 spindles for full-working day.
Colour Winders	15 0 0	Rs. 15, 10 spindles for full-working day.
Pirn Winders	15 0 0	Rs. 15, 10 spindles for full-working day.
Cup Winders	15 0 0	Rs. 15, 25 spindles for full-working day.
Warping Department :—		
Creel Boys	12 8 0	
Warper (*see* separate list) ..	35 0 0	
Bobbin carrier	13 0 0	
Sizing Department :—		
Front Sizer	35 0 0	
Back Sizer	17 8 0	
Mixing coolies	18 0 0	
Beam Carriers	18 0 0	
Beam (shoulder) carriers ..	22 0 0	
Empty Beam carriers ..	12 8 0	

See separate list.

Department.	Standard basic wages including Dear Food Allowance.	Remarks.
	Rs. a. p.	
Drawers-in and Reachers :		
Heald and Reed Repairers ..	16 0 0	
Heald and Read Cleaners ..	9 8 0	
Drawers-in (*see* separate list) ..	22 0 0	
Reachers (do.) ..	16 8 0	
Heald Cleaners	9 8 0	
Calender department :		
Coolies	12 8 0	
Calender attendants	15 0 0	
Stitchers	12 0 0	
Damping front men	14 0 0	
Folding :		
Cutlookers	18 0 0	
Weighmen	18 0 0	
Number markers	14 0 0	
Front maching folders and Back and Hand folders	15 8 0	
Folders	14 0 0	
Hand stitchers	10 0 0	
Stampers	15 8 0	
Folding coolies	12 8 0	
Bundlers	15 0 0	
	13 0 0	
Board coolies	14 0 0	
Bale checkers	17 0 0	
Godown coolies	12 8 0	
Wayalars	16 8 0	
Blanket stitchers	15 8 0	
Weaving department :		
Carpenter coolies	10 0 0	
Sweepers	12 8 0	
Weft-men	15 0 0	
Weft coolies	12 8 0	
Weavers (Single loom) ..	13 12 0	*See* separate list.
Weavers (Double loom) ..	27 8 0	Do.
		Fixed on the 80 per cent. efficiency 77/78 pies per loom per day *plus* 30 per cent. allowance.

Note.—Jobbers, Assistant Jobbers, Carpenters, Mochis and all such skilful operatives including Mechanic department, Engine and Moulding department, are all omitted, work being skilful.

STANDARDISED PIECE RATES INCLUDING DEAR FOOD ALLOWANCE.

Drawing Tenters :			
10s	Pies	4·5	per hank.
16s	„	4·5	„
20s	„	4·5	„
22s	„	4·5	„
30s	„	4·5	„
50s	„	4·5	„
16 Colour	„	5·0	„

STANDARDISED PIECE RATES INCLUDING DEAR FOOD ALLOWANCE—*contd.*

Slubbing Tenters :

10s	..	..	..	Pies 15·00 per hank.
16s	..	..	..	,, 15·00 ,,
20s	..	..	..	,, 15·25 ,,
22s	..	..	..	,, 15·25 ,,
30s	..	..	..	,, 15·25 ,,
50s	..	..	..	,, 14·00 ,,
16s Colour	..	..	..	,, 15·75 ,,

Inter Tenters :

10s	..	..	..	Pies 20·25 per hank.
16s	..	..	..	,, 20·25 ,,
20s	..	..	..	,, 17·75 ,,
22s	..	..	..	,, 21·25 ,,
26s	..	..	..	,, 21·25 ,,
30s	..	..	..	,, 21·25 ,,
50s	..	..	..	,, 18·25 ,,
16s Colour	..	..	..	,, 20·50 ,,

Roving Tenters :

10s	..	..	..	Pies 25·75 per hank.
16s	..	..	..	,, 23·00 ,,
20s	..	..	..	,, 23·00 ,,
22s	..	..	..	,, 23·75 ,,
24s	..	..	..	,, 23·75 ,,
26s	..	..	..	,, 24·25 ,,
30s	..	..	..	,, 24·25 ,,
36s	..	..	..	,, 24·25 ,,
50s	..	..	..	,, 20·25 ,,
16s Colour		..	..	,, 24·25 ,,

Cross Reeled Yarn : 2 Reelers per Reel 40 spindles :

4½s to 10½s	Single	Warp	Pies	7·25 per doff.	
16s	,,	,,	,,	4·25 ,,	
20s	,,	,,	,,	4·25 ,,	Basis 20s.
20s	,,	Warp & Weft	,,	4·25 ,,	Rs. 13-12-0 per
22s	,,	Warp	,,	4·25 ,,	month at 1920
30s 30s	,,	,,	,,	4·25 ,,	hanks per reel.
30s 36s	,,	Weft	,,	4·25 ,,	
50s	,,	Warp	,,	4·25 ,,	
2/16s	Double	,,	,,	5·25 ,,	
2/22s 2-50s	,,	,,	,,	4·25 ,,	
2/30s	,,	,,	,,	4·25 ,,	
2/30s	,,	Weft	,,	5·25 ,,	

Grey Winding Winders :

10s	Pies	18·50	per box of 20 lbs. 20 spindles.
12s	,,	18·50	Do.
16s	,,	21·00	Do.

STANDARDISED PIECE RATES INCLUDING DEAR FOOD ALLOWANCE—*contd.*

Grey Winding Winders—contd.

22s	Pies	25·25	per box of 20 lbs. 20 spindles.
30s	,,	36·00	Do.
40s	,,	43·00	Do.
2/16s	,,	14·50	Do.
2/22s	,,	14·50	Do.
2/30s	,,	14·50	Do.

Drum Winding Winders :

10s	Pies	33·00	per bundle of 10 lbs. 10 spindles.
12s	,,	33·00	Do.
16s	,,	45·00	Do.
22s	,,	49·00	Do.
30s	,,	69·00	Do.
2/30s	,,	33·00	Do.
2/40s	,,	41·25	Do.
2/22s	,,	33·00	Do.

Pirn Winding Winders :

3s	Pies	17·00	per bundle of 10 lbs. 10 spindles.
4½s	,,	23·00	Do.
6½s	,,	25·00	Do.
16s	,,	32·00	Do.
20s	,,	35·00	Do.
22s	,,	35·00	Do.

Warping Warpers :

	s.	p.	
16s Grey	4	0	per 100 lbs.
22s Grey	5	0	,,
30s Grey	5	7½	,,
16s Colour	6	3	,,
22s Colour	7	2	,,
16s H to H	5	4	,,
22s H to H	6	3	,,
2/16s Grey	3	1½	,,
2/22s Grey	3	5	,,
2/30s H to H	4	0	,,
2/50 H to H	4	0	,,
40s, 50s, 56s	10	7½	,,
12s, 14s	3	9	,,

Drawers-in :

Any count	1	9	per 1000 ends.

Reachers :

Any count	1	4½	per 1000 ends.

STANDARDISED PIECE RATES INCLUDING DEAR FOOD ALLOWANCE—*contd.*

Loom Shed :

Weavers fixed on 80 per cent. efficiency at pies 77/78 per loom per day plus 30 per cent. allowance.

Super Khathi Dhoti Khandeshi		pies	5	per lb. plus 30 per cent.
Nakshi Kinar	do.	,,	5	do.
Fancy Kinar	do.	,,	5½	do.
Fancy Kinar Dhoti Sholapuri		,,	6½	do.
Whole colour Susi split		,,	4	do.
Whole colour Check split		,,	5¾	do.
Whole colour Sari		,,	7¼	

APPENDIX VIII.

CORRESPONDENCE BETWEEN THE COMMITTEE AND GOVERNMENT ON THE SUBJECT OF STANDARDIZATION OF WAGES.

1. Letter from the Millowners' Association, Bombay.

THE MILLOWNERS' ASSOCIATION.

PATEL HOUSE, CHURCHGATE STREET,
Bombay, 9th December 1939.

No. 5055/184 of 1939.

THE SECRETARY,
Textile Labour Inquiry Committee,
Bombay.

DEAR SIR,

During the last few days labour has shown signs of restiveness on account of the increase in the cost of living due to the war, and the Association wishes to take early steps to alleviate the situation.

It would be very difficult to deal adequately with the situation until we know what recommendations the Textile Labour Inquiry Committee will make regarding standard levels of wages for various occupations in normal times. If the war continues, the position may develop rapidly and in these circumstances, the Association would earnestly request that the Inquiry Committee might see their way to make their recommendations in the matter of normal basic wages and submit them to Government in advance of the other portions of their final report, in order that the problems brought about by the existing abnormal conditions can be dealt with equitably and promptly.

Yours faithfully,

(Signed) T. MALONEY,
Secretary.

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2. Committee's letter to Government.

No. 9038.

IMMEDIATE.

OFFICE OF THE TEXTILE LABOUR INQUIRY COMMITTEE, TOWN HALL,
Bombay, 9th December 1939.

FROM

N. A. MEHRBAN, Esq., M.B.E., F.S.S., J.P.,
Secretary, Textile Labour Inquiry Committee,
Town Hall, Bombay.

To

THE CHIEF SECRETARY TO THE GOVERNMENT OF BOMBAY,
Political and Services Department,
Secretariat, Bombay.

SIR,

I have been directed by the Honourable Mr. Justice H. V. Divatia, Chairman, and the Members of the Textile Labour Inquiry Committee to forward to you a copy of a letter No. 5055/184 of 1939 of today's date which I have received from the Millowners'

Association, Bombayand to say that the Committee are in a position to accede to the request made by th Association. The Committee's scheme for standardization of wages in cotton texti mills in Bombay and Kurla is expected to be ready by the end of next week, and m Committee would like to know whether Government desire that this scheme should t submitted to Government in advance of their final report. I am desired to reque you to let me have a very early reply to this letter.

I have the honour to be,
Sir,
Your most obedient servant,
(Signed) N. A. MEHRBAN,
Secretary,
Textile Labour Inquiry Committee.

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3 Reply from Government to Committee.

No. 1988/34-E.

POLITICAL AND SERVICES DEPARTMENT,
Bombay Castle, 11th December 1939.

Subject.—Textile Labour Inquiry Committee.

Memorandum.

The undersigned presats compliments to the Secretary, Textile Labour Inquiry Committee and with reirence to his letter No. 9038, dated the 9th December 1939, is directed to state that Government desires that the scheme regarding the standardization of wages and mustes should be submitted as soon as possible and in advance of the final report. It is requested that this matter should be treated as immediate.

By order of the Governor of Bombay,
(Signed) H. T. SORLEY,
Chief Secretary to the Government of Bombay,
Political and Services Department.

APPENDIX IX.

NOTE ON CANTEENS FOR INDUSTRIAL WORKERS.

By

W. R. Aykroyd, M.D., Sc.D.

(Director of Nutrition Research, I.R.F.A., Coonoor, India)

While in Bombay in March 1939, I had the opportunity, through the courtesy of the management, of visiting the canteen in the Manchester Mills. The working of the canteen was explained to me. This was the only canteen I visited and do not know how far it is typical of other canteens for industrial workers in Bombay. I submit here some reflections arising out of my inspection and some general remarks on the running of industrial canteens for industrial workers.

The Manchester Mill canteen has two activities: it sells what, for want of a better word, may be called "snacks", and also non-alcoholic drinks of various kinds, to workers who feel in need of such refreshment during working hours. It also supplies a full meal in the middle of the day to limited numbers. The snacks in general are cheap, the following giving an idea of the price:

A cup of tea or coffee	..	..	..	..	1 pice.
Bread (3-4 ozs.)	..	..	..	..	1 pice.
Sweetmeats (portion)		..	..	..	1 pice.

The meal supplied, which is a tolerably well-balanced one and includes rice, wheat, and potatoes and other vegetables, costs 2 annas 3 pies. I was informed that out of 1,200 hands about 60 take advantage of the meal provided. A proportion of these belong to the clerical staff.

In my opinion, a canteen organised on the above lines, whilst is a praiseworthy effort on the part of the management and appreciated by the workers, does not do much to improve the diet of the average worker. In general the snack which are for sale do not supply in abundance the elements in which the worker's diet tends to be deficient. The midday meal, while it is wholesome and liberal in quantity, is too expensive, in relation to the current level of wages and commitments, to be taken advantage of by the poorer workers who are likely to be in most need of a good meal.

I would not regard the extension of canteens run on the above lines as being likely to prove effective in raising the standard of nutrition of the workers. In order to produce this effect canteens must sell at very low cost food of high nutritive value and in particular foods which supply the elements (vitamins, etc.) which the worker most requires.

With regard to the particular "snacks" mentioned above, a piece of white bread or a portion of sweetmeats supply calories, but they are not rich in certain of the more important constituents of food. A cup of tea or coffee is ssentially water plus a little stimulant. On the other hand, whole meal bread, cheap fruit, butter-milk, and many other foods which could be mentioned, are of higher nutritive value. Canteens could be organised so that foods which are specially good from the stand-point of nutrition are offered for sale, and the workers encouraged to buy them.

In respect of midday meals, the most satisfactory procedure would be to sell a very cheap meal, which is fairly rich in essential food factors. Unless the price is equal to, or below, the usual price of a meal consumed in the workers' own homes, there will be little incentive for them to spend money on meals in the canteen. Hence the meal provided should be based on cheap foods of relatively high nutritive value, such as whole cereals, pulses, certain classes of vegetables, etc. Some knowledge of nutrition is necessary in devising satisfactory feeding at minimum cost and due regard must of course be paid to the dietary habits of the workers.

A comprehensive scheme for the development of canteens on sound lines in Bombay, under the guidance of nutrition workers, is worth careful consideration. A trained worker, in consultation with the various managements and after full consideration of local conditions and requirements, could draw up a suitable scheme at the outset, and superintend its working and development in practice. In certain countries (e.g. U.S.A.) canteens have been organised and run by expert "dietitians"; this development has been characteristic of factories, etc., conducted on the best modern lines. It would be fitting for Bombay to give a lead to the rest of India in this matter.

The development of canteens along the above lines would probably result in the genuine improvement of the nutrition and health of the workers.

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